



Tax and Legal messenger

In this release, we would like to bring to your attention an overview of the following:

- Rules and Criteria for Highly Qualified Migrant Assessment Approved
- Electronic Sick Leave Certificates have been Launched
- Electric Energy Chargers for Electric Vehicles Exempt from Import Value Added Tax
- Criteria for Assessing Banks as Systemically Important Bank Approved
- User Guidelines for Open Banking Adopted

Rules and Criteria for Highly Qualified Migrant Assessment Approved

On April 3, 2025, the Decision "On the Approval of the Rules for the Assessment of a Person as a Highly Qualified Migrant" and "Criteria for the Assessment of a Person as a Highly Qualified Migrant" (the "Decision") was adopted by the Cabinet of Ministers of the Republic of Azerbaijan.

Pursuant to the Decision, foreigners or stateless persons (hereinafter will be referred as "the applicant") seeking classification as highly qualified migrants should apply through the "Highly Qualified Migrant" Portal, which operates on a one-stop-shop principle. These applications are reviewed by the State Migration Service of the Republic of Azerbaijan.

Applications should be submitted electronically in one of the following languages: Azerbaijani, Turkish, English, or Russian. Additionally, supporting documents should also be attached to the application.

Timelines for the processing applications are determined as follows:

- Applications are reviewed within 20 business days
- If additional investigation is needed, the review period will be extended by 10 business days, and the applicant will be informed
- If deficiencies are found in the application documents, the applicant should rectify them within 3 business days

If no valid grounds for refusal are found, the application will be sent to relevant state agencies for their opinions and scoring.

Criteria and scoring intervals are as follows:

- Experience in the field of expertise (during last 15 years): 0 – 35

- Compliance with the country's socio-economic development directions: 0 – 20
- Education: 0 – 15
- Financial evidence: 0 – 15
- Positive impact on the domestic labor market: 0 – 10
- Knowledge of foreign languages: 0 – 10

A minimum score of 70 points is required for the applicant to be recognized as a highly qualified migrant. An electronic document is granted to the highly qualified migrant, which is issued for a period of 5 years.

Furthermore, the evaluation is conducted for one profession. During the validity of the electronic document, evaluation for the highly qualified migrant's other profession may also be conducted based on their respective application.

The Decision entered into force on April 4, 2025.

As a result of being highly qualified, the migrants are exempt from work permit requirements when working in their field of expertise, have an extended period for holding a temporary residence permit in Azerbaijan, and also receive a longer extension for that permit. They are also exempt from some requirements for permanent residence permit applications. In addition, their permit applications are reviewed with reduced processing timelines.

Electronic Sick Leave Certificates have been Launched

Starting May 1, 2025, "Sick Leave Certificates for Insured Persons" will be issued in electronic form through the Ministry of Health's "Unified Health Information System" in medical institutions.

These documents will be electronically signed by the medical institutions and sent to employers via the information system of the Ministry of Labor and Social Protection of Population and the State Social Protection Fund.

Electric Energy Chargers for Electric Vehicles Exempt from Import Value Added Tax

On April 7, 2025, the Decree "On the Amendment to the Decree on the Approval of the List of Raw Materials and Materials Exempt from Import Value Added Tax" (the "Amendments") was adopted by the President of the Republic of Azerbaijan.

According to the Amendments, the following types of electric energy chargers for electric vehicles are exempt from import value added tax:

- Memory programmable controllers for Level 2 and 3 electric energy chargers
- Non-programmable memory controllers for Level 2 and 3 electric energy chargers

These exemptions are effective until January 1, 2027.

The Amendments entered into force on April 7, 2025.

Criteria for Assessing Banks as Systemically Important Bank Approved

On March 19, 2025, Decision "On the Approval of the Criteria for Assessing Banks as A Systemically Important Bank (the "Decision") was adopted by the Management Board of the Central Bank of the Republic of Azerbaijan (the "Central Bank"). "Criteria for Assessing Banks as Systemically Important Bank," approved by the Financial Market Supervisory Authority of the Republic of Azerbaijan on March 11, 2019, is revoked effective from the date of the Decision enters into force.

According to the Decision, the systemic importance of banks is assessed based on the following criteria:

- Size (total assets and deposit portfolio)
- Diversification (liabilities to financial institutions, assets placed in financial institutions, liabilities on securities)
- Substitutability (transactions via payment systems, number of depositors, number of unique customers, financial inclusion)
- Complexity (over-the-counter derivative financial instruments, securities for trading purposes)

The systemic importance of a bank is determined using a systemic importance index. Banks with an index score of 420 basis points or higher are classified as systemically important. This list of systemically important banks is reviewed and approved annually by the Central Bank by March 1. Following the decision, the Central Bank notifies the respective banks and the Ministry of Finance in writing within 5 business days and publishes the updated list on its official website.

The Decision entered into force on April 9, 2025.

User Guidelines for Open Banking Adopted

On April 8, 2025, the User Guidelines for Open Banking (the "Guidelines") was adopted by the Central Bank.

The Guidelines are the part of the regulatory framework for Open Banking in the Republic of Azerbaijan and establishes the standards for the interfaces of Account Servicing Payment Service Providers.

The Guidelines encompass the Application Programming Interface structure, management of the consent mechanism, account information service, open data services, and the technical requirements necessary for connecting third-party providers.

Contacts

We hope that you will find this overview helpful. For more detailed information, please contact the following specialists:



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