



GRATA
INTERNATIONAL

Doing Business in Azerbaijan

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Prepared (by):

Shabnam Sadigova Huseynova

Senior Associate of GRATA International, Azerbaijan

EMPLOYMENT LAW

A photograph of a desk with a laptop, a pair of glasses, and a pen resting on some papers. The image is partially obscured by dark blue diagonal overlays. The text 'EMPLOYMENT LAW' is centered at the top in white. Below it, the text 'LABOR CODE of the Republic of Azerbaijan dated 1 February 1999 #618-IQ' is centered in white. There are white horizontal lines on the left and right sides of the dark blue background.

LABOR CODE of the Republic of Azerbaijan
dated 1 February 1999 #618-IQ

What is the procedure for entering into an Employment Contract ?



In order to engage individuals in the paid labor activity, an employer must have a valid employment contract.

What formality is required?

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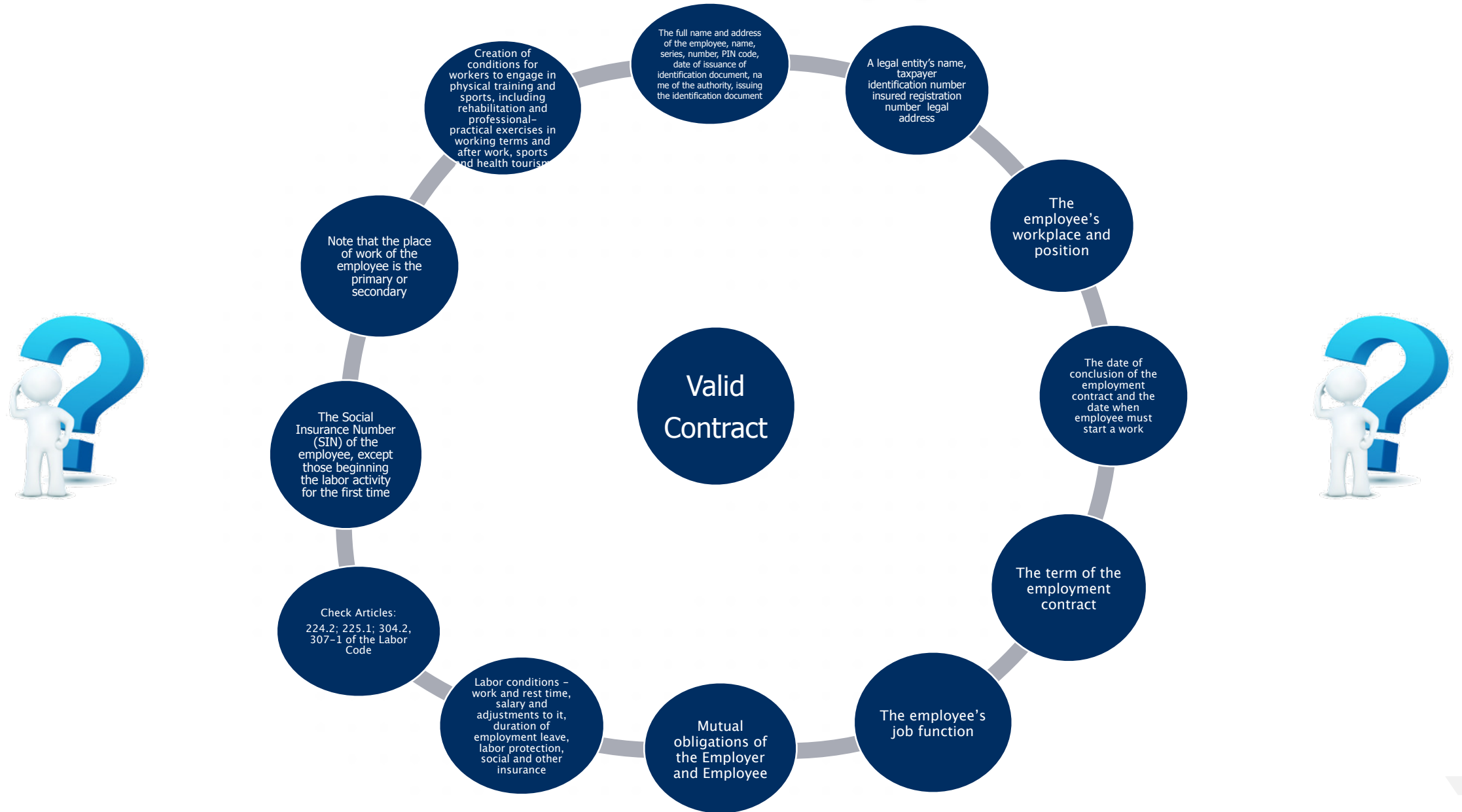
In writing

Signed
&
Stamped

Registered



What should be included in an Employment Contract ?



What does the Labor Law say about probationary period?



A probationary period may be stated in an employment contract and may not exceed three months.

The probationary period is not applicable to specific categories of employees (Art. 52 of the Labor Code):

- ❖ with persons under the age of 18;
- ❖ with persons hired competitively;
- ❖ pregnant women and women with a child under the age of three, as well as men, single parents raising a child of up to 3 years of age;
- ❖ persons, hired for the first time as per specialty (profession) on graduation from the educational institution;
- ❖ persons, with whom employment contract for up to two months is entered and etc.

Any party to an employment contract may terminate the contract at any time during the probationary period by giving the other party a three days advance written notice.

What are the grounds for termination of employment contracts?

COULSCE23

- ❑ **Termination of an Employment Contract at the employee's initiative**
- ❑ **Termination of an Employment Contract at the employer's initiative**
- ❑ **The other grounds for the termination of an Employment Contract**

What are the grounds for termination of employment contracts?

Employer's Initiative

1

Liquidation of an entity

2

Staff redundancy

3

Employee's unsuitability for the position

4

Employee's non-performance or gross violation of his/her job duties

5

Employee's failure to prove him/herself during the probationary period and employee reaching a certain age limit (only applies for those financed from the state budget)

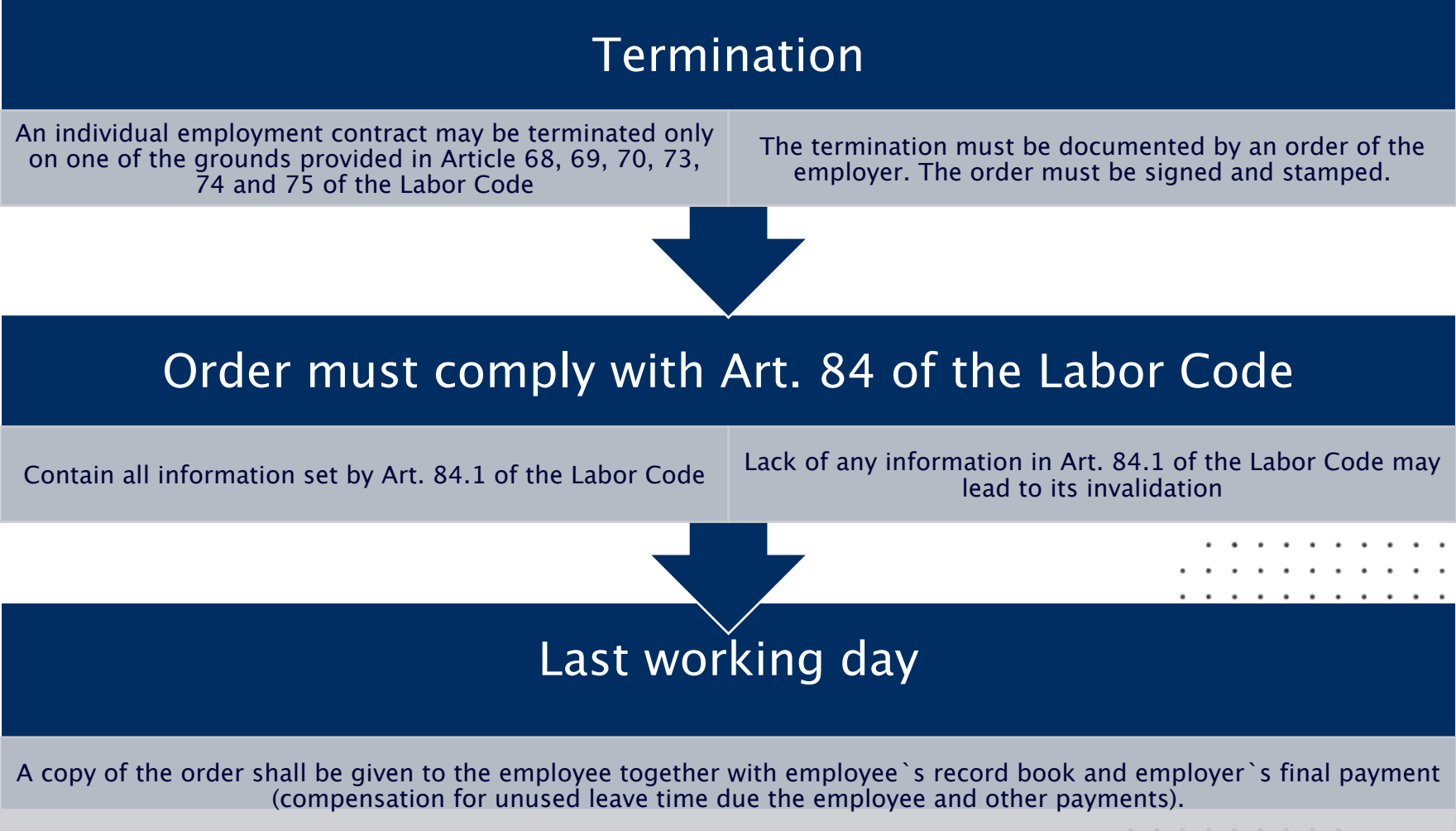
What are the grounds for termination of employment contracts?



Other grounds for termination of EC:

- ❖ Expiration of the contract term;
- ❖ A change in terms and conditions of employment;
- ❖ A change in an ownership of an enterprise;
- ❖ Cases established by the parties in the employment contract (for example: mutual consent of the parties) and etc.

What are the documentation requirements for termination?



What are the options and procedures for employing foreign nationals?

Foreign nationals wishing to work in Azerbaijan are required to obtain a work permit (Art 51; Art. 63.2 of the Migration Code).

A work permit (WP) is a document that allows foreign nationals to engage in a paid labor activity (Art 51.3 of the Migration Code).

The requirement to obtain a WP is not applicable to certain foreigners (Art 64 of the Migration Code):

- Heads and Deputy Heads of Branch and Rep. Offices;
- Heads and Deputy Heads of an LLC with at least one foreign shareholder;
- those possessing a permanent residence permit in Azerbaijan;
- those who are seconded for business trips to Azerbaijan with total duration of 90 days within a year on activity fields defined by the Decree of Cabinet of Ministers No 387;
- those married with the citizen of the Republic of Azerbaijan and etc.



What are the options and procedures for employing foreign nationals?



Concluding employment contracts with foreign nationals prior to obtaining work permits for them is prohibited (Art. 63.5 of the Migration Code).

The application for issuance of a WP can be submitted in person or in an electronic format.

The revision period can vary from 10 to 20 working days subject to the paid state duty.

The WP can be issued for up to 1 year period. In the event an EC is signed for less than 1 year period, then WP will be issued for the duration of such an EC.

A WP may be extended an unlimited number of times.

What are the options and procedures for employing foreign nationals?



Foreigners wishing to reside temporarily and engage in a paid labor activity on the territory of the Republic of Azerbaijan must obtain a work permit together with a temporary residence permit (Art. 51.1 of the Migration Code).

A temporary residence permit is issued for the period corresponding to the validity of the relevant work permit and may be extended an unlimited number of times.

What are the options and procedures for employing foreign nationals?



Foreign nationals, except for those from specific countries, coming to Azerbaijan must have visas.



THANK YOU!

Shabnam Sadigova Huseynova

Mobile: +994505675295

Email: ssadigova@gratanet.com



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QUESTIONS?