Business Brief

May 2021



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Labor Code changes

On 7 may 2021 the Azerbaijan President signed Decree approving changes to the Labor Code.

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The Decree lists cases that are considered labor relationships between the parties and states that they are not allowed to be formalized with a service contract. A written employment contract must be concluded from the day one of these cases is discovered rather than services contract. The cases are as follows:

- 1. The contract between the Parties provides detailed information about the employee and the employer, the contract includes the employee's place of work, position, profession, term of the contract, employee's job function and responsibilities, work and rest time, salary, vacation time;
- 2. Labor book presented and recorded;
- 3. Relationships between the parties took the form of recruitment to a profession or position, holding a position on a competitive basis, employment on a quota basis;
- 4. Relationships between the parties arises in connection with the performance of work (services) related to the main activity of the employer.
- 5. Employee substitutes another person on temporary basis;
- 6. Extension of the service contract;
- 7. Payment for the work (service) performed in the service contract consists of a monthly salary, supplement and bonuses.
- 8. If the employment contract contains issues provided for in Articles 10, 77, 112, 179 and 186 of the Labor Code (the employee's main responsibilities, types of leave, disciplinary liability for violation of labor and executive discipline.);

Law on suspension of the audits

The President signed Decree on approval of changes to the Law on suspension of the audits.

According to the Law audits to be conducted by the local authorities other than those connected to the tax, customs, fire protection, radiation safety,

construction safety and health of population (medicament and food quality control) get suspended till 01 January 2022.

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