

## AZERBAIJANI LEGAL UPDATES\* MIGRATION

**MARCH 2022** 

## **OBTAINING TEMPORARY RESIDENCE PERMIT**

Section 45 of the Migration Code of the Republic of Azerbaijan lists options to obtain a permit/authorisation for a non-Azerbaijani to temporarily reside (TRP) here. Options to obtain the authorisation related to business (as opposed to options available to Azerbaijani national's next of kin, highly skilled professionals, those pursuing education, and certain others) include:

- 1 investing into the Azerbaijani economy at least AZN500,000
- 2 possessing in Azerbaijan immovable property valued at least AZN100,000
- depositing with a bank operating in Azerbaijan at least AZN100,000
- 4 managing a company founded by at least one non-Azerbaijani or a branch or a representative office of a foreign entity
- 5 engaging here in sole proprietorship
- 6 obtaining a work permit in Azerbaijan

While options 1 through 3 appear straightforward, in option 3, the authorisation can be revoked if, after the receipt of it, the deposit is withdrawn or otherwise amounts to less than AZN100,000.

Under option 4, the permit to reside can be applied for after the appointment of a non-Azerbaijani as a director (vice director) of a company established in Azerbaijan with at least one non-Azerbaijani founder. The same rule applies to the branches and representative offices of foreign entities in Azerbaijan. Directors and vice directors of a local company incorporated by at least one non-Azerbaijani person or of a foreign company's branch or representative office are exempt from the requirement to obtain a work permit.

A foreigner may him/herself establish a company in Azerbaijan and appoint him/herself a director (vice director). Similarly, a non-Azerbaijani controlling a foreign entity may procure that the entity register a branch or representative office here and make the managerial appointments.

To register the company, the founder (promoter) shall prepare, collect, and submit to the registrar the following documents:

- a resolution (of an authorised governing body) to establish the office/entity
- a power of attorney authorising a person to represent the foreign company/founder upon establishment and registration (unless, where the company is established, the founder personally attends to the matters of registration)
- regulations of the office/charter of the company
- a letter to obtain from a landlord as evidence of the office's/company's legal address in Azerbaijan

The following documents are normally procured from outside Azerbaijan:

- a certificate of incorporation of the foreign company (a similar document of a founder)
- if available, an extract from the state (trade) register issued to foreign company/founder

 in the case of a branch or representative office, by-laws (articles of association or equivalent document) of the foreign company

Finally, the following are procured locally:

- an application in a prescribed form
- a proof of payment of the state duty to register

Copies of passports of an individual founder and of the director (along with the power of attorney for the director of a branch/office) are also filed.

There is an option for electronic registration applicable only if an applicant has a strengthened electronic signature, which, however, is obtained only after the receipt of the temporary residence permit.

Under option 5, the permit to temporarily reside is granted to foreigners engaged in sole proprietorship in Azerbaijan under the following conditions:

- the proprietor employs at least five persons full-time (or ten persons half-time); and
- 80 per cent of the employees are citizens of Azerbaijan.

These requirements are unlikely satisfied practically: the permit to reside temporarily is among the documents to be provided by the foreigner for obtaining the identification number of a sole proprietor – https://www.taxes.gov.az/en/page/fiziki-sexsler-ucun. Where a foreign sole proprietor establishes a company (registers a branch/office) here, the State Migration Service enforces the employment requirements set out above *vis-à-vis* the company.

Under option 6, foreigners intending to be employed in Azerbaijan obtain initially a work visa entitling them to apply for the work permit. The work permit is provided for up to one year based upon an employer's request enclosing with it, among others, documents (certified by a notary) proving professional and/or academic skills of the foreigner and reasoning the recruitment of a foreigner for a given position, as well as a proof absence of diseases, such as the HIV and hepatitis B and C. A foreigner and his/her family members (spouse and children) receive the permit to reside on the basis of the former's work permit.

PLEASE CONTACT US FOR ANY QUESTIONS AND FURTHER INFORMATION AT:

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