

AZERBAIJANI LEGAL UPDATES* CIVIL LAW | REAL ESTATE

MAY 2015

Amendments to Civil Code and Law on State Register of Immovables

Laws of the Republic of Azerbaijan No 1197-IVQD, On Making Amendments to Civil Code of Republic of Azerbaijan, and No 1198-IVQD, On Making Amendments to Law of Republic of Azerbaijan "On State Register of Immovables", dated 24 February 2015 were promulgated.

Under the amendment made to the Civil Code, acts, certificates, and registration cards issued by the State Committee of the Republic of Azerbaijan for Property Issues, State Committee for Land and Cartography, State Committee for Urban Development and Architecture, Baku City Executive Power and other relevant local executive power agencies, as well as other state agencies engaged in registration of rights in immovables certifying rights in immovables, including land plots, buildings and structures, residential and non-residential premises, individual residential and suburban houses, areas of subsoil, water reservoirs, forests and perennials, and enterprises as property complexes, shall be the bases for the state registration of rights in immovables.

Before the amendment, acts, certificates, registration cards, and other documents issued by the above agencies were the bases for the establishment of rights in assets. Pursuant to the amendment, the period of validity of these documents submitted to obtain an extract in relation to rights in immovables has been extended until 6 July 2006 (the date when the State Service for Register of Immovables has commenced its operations). State registrations of rights in immovables carried out by various state agencies prior to 6 July 2006 retain their legal effect.

New provisions are added to the Code and Law. According to the addition made to the Code and Law, membership booklets issued in accordance with the list of members of collective gardeners' partnerships (horticultural societies) or extract from the minutes of the members' meeting and documents determined by the President of the Republic of Azerbaijan certifying rights in immovable property objects acquired or created before 10 August 2004 shall also be the bases for the state registration of establishment, transfer to others, restriction (encumbrance), and termination of rights in an immovable asset.

Additions made to the Code provide that the following shall be the bases for establishment, transfer, restriction (encumbrance) and termination of rights in immovable assets:

- in relation to structures built before the Urban Development and Construction Code of the Republic of Azerbaijan came into effect (before 1 January 2013):
 - for residential houses up to twelve meters high a document certifying an ownership, lease, or use right in the land plot and design approved by the relevant executive power agency or act of commissioning the residential house;
 - for apartment houses, non-residential buildings and residential houses twelve meters and higher – a document certifying an ownership, lease, or use right in the land plot, design approved by the relevant executive power agency, decision authorising construction of the building issued by the relevant executive power agency, and act of commissioning the residential house;

- in relation to structures built after the Urban Development and Construction Code of the Republic of Azerbaijan came into effect (after 1 January 2013):
 - for objects of construction that require approval for construction a document certifying an ownership, lease, or use right in the land plot, resolution approving the construction, architectural and planning part of the construction design, and approval for using the object of construction;
 - for residential houses, in relation to which notification procedures are implemented a
 document certifying an ownership, lease, or use right in the land plot, architectural and
 planning part of the construction design, and a document certifying notification by the
 customer of the relevant executive power agency of the completion of construction;
- before the Housing Code of the Republic of Azerbaijan came into effect (1 October 2009), an
 instruction of the relevant executive power agency, order, or apartment rent agreement granting
 the residential premises from the state or public housing fund;
- certificates issued by the relevant executive power agency for an immovable property during the period from 6 July 2006 to 24 June 2009.

The additions govern the requirements for documents as well as the procedures necessary for the state registration of rights in immovable property relevant to the date when the Urban Development and Construction Code of the Republic of Azerbaijan came into effect (1 January 2013).

Additionally, an instruction, order or apartment rent agreement by a local executive power agency issued before 1 October 2009 (when the Housing Code came into effect) and during the period from 6 July 2006 and 24 June 2009 as well as certificates in relation to an immovable property by the State Committee for Property Issues are also added to the list of documents to obtain an extract. Upon submission of the documents listed above prepared in an established manner, it will be possible to obtain an extract from the state register of immovables.

Apparently, however, any documents submitted in relation to objects of construction that require an act of commissioning, cannot be the bases for obtaining the extract in the absence of the act.

Amendments to Land Code of Republic of Azerbaijan and Laws on Land Lease, Land Reform, and Land Market

The President of the Republic of Azerbaijan approved amendments to the Land Code of the Republic of Azerbaijan and Laws, *On Land Lease*, *On Land Reform*, and *On Land Market*. In accordance with the amendments, for the purpose of fulfilling the obligations arising from international agreements, to which the Republic of Azerbaijan acceded, no open land auctions or contests will be required for the transfer of land into state ownership or lease. Generally, according to prevailing law, ownership and lease rights in municipal land can be obtained only through open land auctions and contests.

PLEASE CONTACT US FOR ANY QUESTIONS AND FURTHER INFORMATION AT:

BM Morrison Partners Tel: (994 12) 497 19 14; 497 19 15

> Fax: (994 12) 497 19 13 E-mail: info@bmlawaz.com

©2015 BM Morrison Partners. All rights reserved.

Information in our updates does not constitute legal or other professional advice.