LAW OF THE REPUBLIC OF AZERBAIJAN

On the Alat Free Economic Zone (https://e-qanun.az/framework/39078)

This Law, in accordance with subparagraphs 1 and 10 of Part I of Article 94 of the Constitution of the Republic of Azerbaijan, determines the legal regime for the operation, development, and management of the Alat Free Economic Zone of the Republic of Azerbaijan.

Chapter 1

GENERAL PROVISIONS

Article 1. Definitions Used in This Law

1.0. The terms used in this Law shall have the following meanings:

1.0.1. Alat Free Economic Zone – a zone established by the relevant executive authority in accordance with this Law for the purpose of carrying out entrepreneurial and investment activities (hereinafter – the Free Zone);

1.0.2. Free Zone Authorized Body – an administrative body established in accordance with this Law, responsible for the operation of the Free Zone and exercising regulation and supervision within the Free Zone;

1.0.3. Free Zone Administrative Entities – the developer, dispute resolution bodies, any other administrative body operating in the Free Zone, as well as a legal entity established by the Free Zone Authorized Body or any other legal entity in which the Free Zone Authorized Body is a partner;

1.0.4. Free Zone Legal Entity – any legal entity established and operating in the Free Zone in accordance with Free Zone legislation, except for Free Zone administrative entities;

1.0.5. Free Zone Territory – the territory determined by the relevant executive authority for the purpose of the establishment and operation of the Free Zone;

1.0.6. Free Zone Legislation – this Law and the internal rules adopted on its basis;

1.0.7. Free Zone Resident – any individual who does not engage in entrepreneurial activity in the Free Zone and has permission to reside there, except in cases determined by the internal rules adopted by the Free Zone Authorized Body;[1]

1.0.8. Business Services Center – a Free Zone administrative body established by the Free Zone Authorized Body and responsible for issuing all licenses, permits, visas, and approvals in the Free Zone;

1.0.9. internal rules – rules adopted by the Free Zone Authorized Body for the purpose of regulating relations related to the operation of the Free Zone;

1.0.10. developer – a Free Zone administrative entity established by the Free Zone Authorized Body for the purposes of the operation and development of the Free Zone;

1.0.11. developer territory – a part of the Free Zone territory allocated to the developer by the Free Zone Authorized Body;

1.0.12. seconded personnel – personnel seconded by the relevant authority of the main economy to perform certain rights and duties in the Free Zone;

1.0.13. labor rules – internal rules regulating labor relations in the Free Zone;

1.0.14. main economy – the other jurisdiction of the Republic of Azerbaijan excluding the Free Zone;

1.0.15. main economy authorities – state bodies, municipalities, and legal entities of the Republic of Azerbaijan;

1.0.16. main economy legislation – normative legal acts of the Republic of Azerbaijan;

1.0.17. main utility services – water supply, electricity, gas supply, telecommunications services, and other essential utility services in the main economy;

1.0.17-1. main economy taxpayer – a taxpayer established in accordance with the legislation of the main economy and operating in the main economy as well as in the Free Zone, whose activities are subject to the legislation of the main economy;[2]

1.0.18. main economy suppliers – legal entities of the main economy responsible for providing utility and other services;

1.0.19. Board of Directors – the collegial body responsible for the operation and management of the Free Zone Authorized Body;

1.0.20. dispute resolution bodies – bodies ensuring the examination and resolution of disputes in the Free Zone;

1.0.21. registry – registration of legal entities and tangible and intangible property.

Article 2. Establishment of the Free Zone

The Free Zone shall be established in the Free Zone Territory by the relevant executive authority.

Article 3. Free Zone Legislation

3.1. Free Zone legislation shall apply in the Free Zone.

3.2. Main economy legislation shall apply in the Free Zone only in the cases specified in Free Zone legislation.[3]

3.3. In the event of a conflict between Free Zone legislation and main economy legislation, Free Zone legislation shall apply.

3.4. In the event of a conflict between this Law and the internal rules, this Law shall apply.

3.5. The Free Zone Authorized Body shall certify the authenticity of the English translations of Free Zone legislation. Free Zone legislation whose authenticity has been certified by the Free Zone Authorized Body shall have the same legal force as Free Zone legislation in the Azerbaijani language. Free Zone internal rules shall be published in Azerbaijani and English.

Article 4. Main Economy Legislation Applicable in the Free Zone

4.1. Subject to the provisions of this Law, the following legislation of the main economy shall apply in the Free Zone:

4.1.1. criminal legislation of the main economy;

4.1.2. 4.1.2. Legislation on combating money laundering and terrorist financing, including targeted financial sanctions, in the core economy.

Chapter 2

MANAGEMENT AND DEVELOPMENT OF THE FREE ZONE

Article 5. Free Zone Authorized Body

5.0. The Free Zone Authorized Body shall be established by the relevant executive authority and shall exercise regulation and supervision in relation to the following in the operation of the Free Zone:

5.0.1. activities of Free Zone residents, Free Zone legal entities, and Free Zone administrative entities;

5.0.2. the Free Zone Territory;

5.0.3. all property and assets located in the Free Zone;

5.0.4. any other matters related to the strategic objectives of the Free Zone.

Article 6. Rights and Duties of the Free Zone Authorized Body

6.1. The Free Zone Authorized Body shall have the following rights:

6.1.1. to prepare, adopt, and amend internal rules for the Free Zone in accordance with advanced international practice and standards;

6.1.2. to establish, finance, authorize, and inspect Free Zone administrative entities for the purpose of forming a management system for the Free Zone in accordance with international standards;

6.1.3. to transfer rights and obligations to third parties;

6.1.4. to sell shares (interests) owned by it or otherwise dispose of them in any manner;

6.1.5. to engage an appropriate adviser, including a third-party adviser or contractor;

6.1.6. to apply to main economy authorities for assistance and cooperation related to the operation of the Free Zone;

6.1.7. to determine and collect fees and other financial payments for services rendered by the Free Zone Authorized Body and Free Zone administrative entities;

6.1.8. to issue certificates of origin;

6.1.9. to determine liability measures for violations of Free Zone legislation, including imposing and collecting fines;

6.1.10. to determine and approve its own budget and the budgets of Free Zone administrative entities;

6.1.11. to apply for state financing and/or obtain financial resources from banks, financial institutions, and other entities;

6.1.12. to create a mortgage or other encumbrance over property and assets for the purpose of attracting any financial resources;

6.1.13. to open bank accounts;

6.1.14. to engage in any business activity;

6.1.15. to provide business incentives for attracting investments to the Free Zone;

6.1.16. to conclude contracts with third-party contractors or service providers;

6.1.16-1. to conclude transactions in its own name, acquire and exercise property and non-property rights, and appear in court as a plaintiff or defendant;

6.1.17. to exercise other rights necessary for the performance of its duties.

6.2. The duties of the Free Zone Authorized Body are as follows:

6.2.1. to ensure the operation, development, management, and financing of the Free Zone in accordance with its strategic objectives;

6.2.2. to promote the application of advanced international practice in the Free Zone;

6.2.3. to attract local and foreign investments to the Free Zone;

6.2.4. to create a transparent, efficient, and excellent regulatory framework for the purpose of forming a favorable investment, business, and entrepreneurial environment, increasing investor confidence, eliminating bureaucracy to the maximum extent, and applying online and technological solutions wherever possible;

6.2.5. to adopt mandatory internal rules, consistent with advanced international practice and standards, applicable in the Free Zone in the following fields:

6.2.5.1. activities of Free Zone legal entities and Free Zone administrative entities;

6.2.5.2. financial and insurance services;

6.2.5.3. land relations;

6.2.5.4. customs matters;

6.2.5.5. labor relations;

6.2.5.6. migration;

6.2.5.7. tax regulation;

6.2.5.8. freedom to conduct currency transactions;

6.2.5.9. insolvency and bankruptcy;

6.2.5.10. notarial activity;

6.2.5.11. intellectual property;

6.2.5.12. environment;

6.2.5.13. competition;

6.2.5.14. certificates of origin;

6.2.5.15. dispute resolution;

6.2.5.16. anti-money laundering and “know your customer” checks;

6.2.5.17. other fields it considers necessary.

6.2.6. to determine the organizational structure, rules, and procedures required for Free Zone administrative entities to perform their duties and obligations;

6.2.7. to regulate the activities of Free Zone legal entities, Free Zone residents, and Free Zone administrative entities;

6.2.8. to regulate relations related to property and assets located in the Free Zone;

6.2.9. to coordinate with main economy authorities to achieve the strategic objectives of the Free Zone;

6.2.10. to ensure the financing of Free Zone administrative entities for the performance of their relevant duties and obligations;

6.2.11. to prepare reports on the activities and strategic directions of Free Zone administrative entities and submit them to the relevant executive authority;

6.2.12. to carry out other duties to achieve the strategic objectives of the Free Zone.

6.3. The Free Zone Authorized Body shall exercise its rights and duties in accordance with Free Zone legislation, advanced international practice, international standards, and the strategic objectives of the Free Zone.

Article 7. Management of the Free Zone Authorized Body

7.1. The Free Zone Authorized Body shall be managed in accordance with the organizational structure determined by the relevant executive authority.

7.2. The Board of Directors shall be responsible for the management, achievement of strategic objectives, and operation of the Free Zone Authorized Body.

7.3. The Board of Directors shall adopt the relevant documents relating to the management of the Free Zone Authorized Body.

7.4. The Board of Directors shall be headed by a chairperson appointed by the relevant executive authority. The Board of Directors shall report directly to the relevant executive authority.

Article 8. Financial Matters of the Free Zone Authorized Body

8.1. The Free Zone Authorized Body shall be financially independent and shall have the right to approve its own budget.

8.2. The State shall ensure the financing of the Free Zone, the Free Zone Authorized Body, and each Free Zone administrative entity for the exercise of their rights and duties.

8.3. The Free Zone Authorized Body shall derive income from the following sources:

8.3.1. applicable fees and other payments;

8.3.2. dividends and payments received from developers or other legal entities owned by the Free Zone Authorized Body;

8.3.4. any other sources provided by the State.

Article 9. Exclusion of the Powers of Main Economy Authorities

9.1. Unless otherwise provided by Free Zone legislation, main economy authorities shall not have the following powers:

9.1.1. to have any jurisdiction in the Free Zone;

9.1.2. to regulate or supervise the activities of Free Zone legal entities, Free Zone administrative entities, or Free Zone residents.

9.2. Main economy authorities and main economy suppliers shall, upon the request of the Free Zone Authorized Body or Free Zone administrative entities, assist the Free Zone Authorized Body and Free Zone administrative entities in the development of the Free Zone.

Article 10. Developer

10.1. The Free Zone Authorized Body shall establish one or more developers. The developer shall bear responsibility for the use and development of the developer territory.

10.2. The Free Zone Authorized Body shall adopt internal rules determining the rights and duties, management rules, and responsibility of each developer.

Article 11. Duties and Rights of the Developer

11.1. The duties of the developer are as follows:

11.1.1. to prepare the master plan of the Free Zone Territory and/or the developer territory;

11.1.2. to ensure the creation and development of infrastructure in the developer territory, including necessary real estate objects;

11.1.3. to use and maintain infrastructure, real estate, and other assets in the developer territory;

11.1.4. to coordinate the activities of utilities and other suppliers in the developer territory;

11.1.5. to use advanced technological means in the developer territory;

11.1.6. to attract local and foreign investments to the Free Zone, especially investments from the private sector and other sources related to the creation and development of basic infrastructure, including necessary real estate objects;

11.1.7. to ensure that it and any other legal entity in which it participates have sufficient financial resources to fulfill their duties and obligations;

11.1.8. other duties for achieving the strategic objectives of the Free Zone.

11.2. The developer shall have the following rights for the performance of its duties:

11.2.1. to conclude management, operation, and service agreements or other commercial agreements of a similar type in connection with the management, use, and maintenance of the developer territory;

11.2.2. to lease the developer territory or otherwise dispose of it;

11.2.3. to establish legal entities or participate in legal entities as a partner, shareholder, etc., and to conclude joint development agreements, concession agreements, or other commercial agreements of a similar type;

11.2.4. to establish legal entities inside or outside the Free Zone, invest in them, and carry out other investment activities;

11.2.5. to transfer its rights and obligations, by contract or on any other basis, or assign them to selected contractors;

11.2.6. to engage external advisers or establish an advisory committee;

11.2.7. to attract financial resources from banks, financial institutions, and other entities;

11.2.8. to create a mortgage or any other encumbrance over its property and assets for the purpose of attracting any financial resources;

11.2.9. to open bank accounts;

11.2.10. to guarantee the obligations of legal entities in which it participates or of third parties;

11.2.11. to exercise other rights determined by the Free Zone Authorized Body.

11.3. The developer shall exercise its rights and duties in accordance with Free Zone legislation, advanced international practice, international standards, and the strategic objectives of the Free Zone.

Article 12. Financing of the Developer

12.1. The developer shall be capitalized and financed by the Free Zone Authorized Body.

12.2. The developer shall derive income from the following sources:

12.2.1. leasing the developer territory or otherwise disposing of it;

12.2.2. commercial agreements;

12.2.3. investments;

12.2.4. other sources provided for in Free Zone legislation.

12.3. Each developer shall determine its work program and budget in accordance with the internal rules. The work program and budget of each developer shall be approved by the Free Zone Authorized Body.

Article 13. Services and Transport

13.1. The Free Zone Authorized Body shall adopt utility and other service rules in the form of internal rules in order to ensure the provision of utility and other services to the Free Zone.

13.2. Main economy suppliers shall, upon the request of the Free Zone Authorized Body, ensure the creation of all necessary infrastructure up to the border of the Free Zone Territory for the purpose of ensuring access in the Free Zone to main utility services and other services, and shall provide main utility services and other services at the border of the Free Zone at wholesale prices.

13.3. In cases where requested by the Free Zone Authorized Body, the relevant public service suppliers of the main economy shall provide public services in the Free Zone on terms agreed with the Free Zone Authorized Body.

13.4. The relevant authority of the main economy shall, upon the request of the Free Zone Authorized Body, ensure the establishment of transport links related to the Free Zone.

Chapter 3

ACTIVITIES OF FREE ZONE LEGAL ENTITIES

Article 14. Activities of Free Zone Legal Entities in the Free Zone

14.1. The Free Zone Authorized Body shall adopt internal rules regulating the establishment and activities of Free Zone legal entities. These rules shall specify the following:

14.1.1. requirements relating to the establishment of Free Zone legal entities;

14.1.2. organizational and legal forms of Free Zone legal entities;

14.1.3. creation of a registry for the registration of Free Zone legal entities, their rights over tangible and intangible property, guarantees, and other encumbrances;

14.1.4. rules and requirements related to applications for registration of Free Zone legal entities, as well as the reporting and management of such legal entities;

14.1.5. other matters for achieving the strategic objectives of the Free Zone.

14.2. No restriction shall be imposed on one hundred percent ownership of the charter capital and investment contributions of Free Zone legal entities by foreign legal entities and individuals.

Article 15. Licensing and Permits

15.0. The Free Zone Authorized Body shall adopt licensing and permit rules in the form of internal rules for the purpose of determining licenses and permits for carrying out entrepreneurial and investment activities within the Free Zone, regulating the requirements related thereto and the procedure for their issuance. The licensing and permit rules shall specify the following:

15.0.1. determination of licensing, permit, visa, and approval requirements in the Free Zone, including the number of relevant licenses, permits, visas, and approvals, the costs and timeframes for obtaining them, as well as the number of documents required for each application;

15.0.2. establishment and operation of the Business Services Center, which is responsible for issuing all licenses, permits, visas, approvals, and other official documents in the Free Zone and operates under the “one-stop shop” principle;

15.0.3. other matters for achieving the strategic objectives of the Free Zone.

Article 16. Tax Regulation in the Free Zone

16.1. The Free Zone Authorized Body, Free Zone administrative entities, and, in cases determined by the internal rules adopted by the Free Zone Authorized Body, Free Zone legal entities operating in the Free Zone shall be exempt from all taxes relating to their activities in the Free Zone. For taxation purposes, the supply of goods, works, and services from the main economy to the Free Zone and from the Free Zone to the main economy shall be equated to the import and export of goods, works, and services.[5]

16.1-1. The procedure for the application and withholding of taxes on the incomes of Free Zone residents, the Free Zone Authorized Body, Free Zone administrative entities, and employees of Free Zone legal entities shall be regulated by the internal rules adopted by the Free Zone Authorized Body and, in cases provided for by those rules, by the legislation of the main economy.[6]

16.2. If the Free Zone Authorized Body, Free Zone administrative entities, and Free Zone legal entities supply goods, works, or services to a taxpayer of the main economy, or if a taxpayer of the main economy supplies goods, works, or services to the Free Zone Authorized Body, Free Zone administrative entities, Free Zone legal entities, or Free Zone residents, the provisions of the legislation of the main economy shall apply to

the taxpayer of the main economy in respect of such goods, works, and services. No withholding taxes at source shall be applied to payments made in connection with the supply of goods, works, and services by taxpayers of the main economy to the Free Zone Authorized Body, Free Zone administrative entities, and Free Zone legal entities.[7]

16.4. During tax audits carried out in respect of a taxpayer of the main economy, obtaining information by tax authorities, as third parties, on transactions carried out with a Free Zone legal entity shall be effected through the Free Zone Authorized Body. The Free Zone Authorized Body shall provide such information in accordance with the legislation of the main economy.[9]

Article 16-1. Financial Services

Where services are provided in financial markets by taxpayers of the main economy to the Free Zone Authorized Body, Free Zone administrative entities, and Free Zone legal entities, the provisions of the legislation of the main economy shall apply to such taxpayers of the main economy with regard to those services, taking into account the internal rules adopted by the Free Zone Authorized Body.[10]

Article 17. Customs Matters in the Free Zone

17.1. Except for fees paid for customs clearance, no other customs payments, including customs duties and taxes, shall apply to goods and vehicles brought into and taken out of the Free Zone by the Free Zone Authorized Body, Free Zone administrative entities, and Free Zone legal entities.

17.2. When goods and vehicles are brought from the Free Zone into the main economy by taxpayers of the main economy or taken from the main economy into the Free Zone, the provisions of the legislation of the main economy shall apply during customs clearance of such goods and vehicles.[11]

17.3. The customs authority of the main economy shall establish a relevant customs body for the application of customs rules in the Free Zone. The relevant customs body shall carry out its activities in accordance with Free Zone legislation, and where and in the manner provided for by such legislation, in accordance with the legislation of the main economy, advanced international practice, international standards, and the strategic objectives of the Free Zone.[12]

17.4. The Free Zone Authorized Body shall adopt internal rules covering customs requirements in order to ensure regulation in relation to goods and vehicles brought into and taken out of the Free Zone. The internal rules shall specify the following:[13]

17.4.1. rules and requirements for the clearance and marking of goods and vehicles brought into and taken out of the Free Zone;[14]

17.4.2. procedures and implementation rules related to the clearance of goods and vehicles;[15]

17.4.3. rules relating to the joint activity of the relevant customs body and the customs authority of the main economy for the purpose of ensuring simple and efficient customs clearance procedures;

17.4.4. fees for any document or service that may be applied in the customs field;

17.4.5. rules for the use of services of customs agents or brokers;

17.4.6. other matters for achieving the strategic objectives of the Free Zone.

Article 18. Border Regime in the Free Zone

If the border of the Free Zone or a part of its border coincides with the state border of the Republic of Azerbaijan or with a checkpoint on the state border, the state border regime shall apply in that area of the Free Zone. In such a case, the rules of the state border regime and the boundaries of the checkpoint on the state border within the territory of the Free Zone shall be determined by the Free Zone Authorized Body and the State Border Service.

Article 19. Free Zone Territory

19.1. The relevant executive authority shall grant the Free Zone Authorized Body a one-time, gratuitous, and permanent right of use over the Free Zone Territory.

19.2. The Free Zone Authorized Body shall have the right to grant for use, lease, or otherwise dispose of any part of the Free Zone Territory. The Free Zone Authorized Body may allocate a part of the Free Zone Territory for the activities of taxpayers of the main economy that serve a supporting function for the activities of the entities provided for in the first sentence of Article 16.1 of this Law, as an area not regarded as part of the customs territory of the Free Zone and where the legislation of the main economy is applied provided that it does not prejudice the interests and benefits of the Free Zone.[16]

19.3. The Free Zone Authorized Body shall adopt land rules in the form of internal rules for the purpose of regulating land relations in the Free Zone. The land rules shall specify the following:

19.3.1. rules and procedures related to the development of Free Zone land;

19.3.2. rules and requirements for the disposal of Free Zone land, including the creation and termination of rights of use, lease, security, and encumbrance, for the purpose of increasing the development potential of Free Zone land;

19.3.3. maintenance of the registry created under Article 14.1.3 of this Law, confirming the creation and termination of rights relating to Free Zone land;

19.3.4. other matters for achieving the strategic objectives of the Free Zone.

19.4. Developers, Free Zone administrative entities, Free Zone legal entities, and Free Zone residents shall be permitted to own property, leasehold, and other rights within the Free Zone Territory.[17]

19.5. All rights relating to Free Zone land shall be registered in the registry.

Article 20. Labor Rules in the Free Zone

The Free Zone Authorized Body shall adopt labor rules in the form of internal rules for the purpose of regulating labor relations within the Free Zone, including ensuring labor safety and implementing social security matters.

Article 21. Seconded Personnel

21.1. Upon the request of the Free Zone Authorized Body or a Free Zone administrative entity, the relevant authority of the main economy shall second personnel consisting of its employees to perform certain rights and duties in the Free Zone.

21.2. The following shall apply to seconded personnel:

21.2.1. the relevant authority of the main economy shall provide the Free Zone Authorized Body with information on qualified and experienced personnel. The Free Zone Authorized Body shall select the seconded personnel from among such personnel;

21.2.2. seconded personnel shall remain employees of the relevant authority of the main economy and shall receive their salary from that authority;

21.2.3. the Free Zone Authorized Body or the relevant Free Zone administrative entity may make additional payments to seconded personnel or take other incentive measures;

21.2.4. the rights and duties of seconded personnel, as well as the requirements applicable to them, shall be determined by internal rules. The activities of seconded personnel shall be managed by the Free Zone Authorized Body or the relevant Free Zone administrative entity.

Article 22. Migration in the Free Zone

The Free Zone Authorized Body shall adopt migration rules in the form of internal rules regulating migration-related processes in the Free Zone, including determining visa types and the requirements and rules for each visa type.

Article 23. Environmental Protection in the Free Zone

The Free Zone Authorized Body shall adopt environmental rules in the form of internal rules for the purpose of regulating relations related to environmental protection within the Free Zone.

Article 24. Protection of the Rights of Investors in the Free Zone

24.1. No nationalization, confiscation measures, or any other restriction relating to private property may be applied to Free Zone legal entities that have acquired the right to operate in the Free Zone, except in cases provided for by the internal rules adopted by the Free Zone Authorized Body.[18]

24.2. Free Zone legal entities, their investors and shareholders, as well as, in cases provided for by the internal rules adopted by the Free Zone Authorized Body, Free Zone residents, shall have the right to invest in the Free Zone and to transfer abroad without restriction the funds obtained from their activities in the Free Zone.[19]

24.3. Free Zone legal entities, their employees, investors and shareholders, as well as, in cases provided for by the rules adopted by the Free Zone Authorized Body, Free Zone residents, shall have the right to operate and conduct transactions in any foreign currency without any restrictions.[20]

Chapter 4

DISPUTE RESOLUTION

Article 25. Dispute Resolution Bodies

25.1. The Free Zone Authorized Body shall ensure the establishment of one or more of the following:

25.1.1. an arbitration center;

25.1.2. another dispute resolution body.

25.2. The Free Zone Authorized Body shall adopt dispute resolution rules in the form of internal rules for the purpose of ensuring the operation of dispute resolution bodies within the Free Zone, their examination of disputes, and the regulation of relations connected with dispute resolution.

Article 26. Jurisdiction of Dispute Resolution Bodies

26.1. Tərəflər müqavilə ilə başqa cür razılaşmadıqda, mübahisələrin həlli qurumları Azad Zona səlahiyyətli qurumunun, Azad Zona inzibati müəssisələrinin, Azad Zona hüquqi şəxslərinin və onların işçilərinin, Azad Zona rezidentlərinin mülki, kommersiya, əmək və inzibati mübahisələrinin və ya Azad Zona və onun fəaliyyəti ilə bağlı olan hər hansı digər mübahisənin həlli və təfsiri üçün müstəsna yurisdiksiyaya malikdirlər.[21]

26.2. Unless the parties agree otherwise by contract, the courts of the main economy shall not have jurisdiction, except in the cases specified in this Law, to hear disputes to which the Free Zone Authorized Body, Free Zone administrative entities, Free Zone legal entities and their employees, or Free Zone residents are a party, or any other dispute related to the Free Zone and its activities.

26.3. Matters falling within the exclusive jurisdiction of the dispute resolution bodies of the Free Zone may not be examined by judicial bodies of the main economy or other dispute resolution bodies. Decisions adopted by the dispute resolution bodies of the Free Zone shall be deemed enforcement documents and, except for Free Zone appellate bodies, such decisions may not be annulled, amended, or declared invalid by any other court or arbitral body.

Article 27. Enforcement of Decisions of Dispute Resolution Bodies

27.1. Decisions adopted by dispute resolution bodies shall be enforced in the Free Zone and in the main economy without any recognition or confirmation.

27.2. Except for cases falling within the exclusive jurisdiction of the dispute resolution bodies, decisions adopted by courts and other dispute resolution bodies of the main economy shall be enforced in the Free Zone.

27.3. Enforcement of decisions adopted by foreign courts, tribunals, other judicial bodies, or arbitral bodies in relation to disputes arising from activities within the territory of the Free Zone shall be limited to activities carried out in the Free Zone or to property and assets located there. Such decisions shall be enforced on the basis of international treaties to which the Republic of Azerbaijan is a party, and in the absence of such international treaties, by decision of the Free Zone Authorized Body.[22]

Article 28. Financing of Dispute Resolution Bodies in the Free Zone

28.1. Dispute resolution bodies shall be financed from funds allocated by the Free Zone Authorized Body and from fees and payments for their services.

28.2. The budget of the dispute resolution bodies shall be determined by the Free Zone Authorized Body.

Chapter 5

FINAL PROVISIONS

Article 29. Limitation of Liability

Except in cases of fraud, gross negligence, or willful misconduct, employees of the Free Zone Authorized Body or a Free Zone administrative entity shall not bear liability for any act or omission while exercising their rights, duties, and matters within the scope of their responsibility, or in connection with the application of Free Zone legislation.

Article 30. Working Language of the Free Zone

Alongside the Azerbaijani language, English may be used as a working language in the Free Zone, and other languages may also be used where necessary. If an inconsistency of interpretation arises from the use of documents or means of communication in terms of language, the text in the language provided for in the agreement of the parties shall prevail.

Article 31. Entry into Force of This Law

31.1. This Law shall enter into force after the relevant legal regulation concerning the operation of the Alat Free Economic Zone is established in the Constitutional Law of the Republic of Azerbaijan “On Normative Legal Acts”.

31.2. Articles 14, 15, 16, 16-1, 17, 19.2, 19.4, 19.5, 24, 25.1, 26, 27, and 28 of this Law shall, subject to Article 31.1 of this Law, enter into force on the same day as the internal rules to be adopted by the Free Zone Authorized Body.[23]

Article 32. Transitional Provision [24]

Until the Free Zone Authorized Body and its Board of Directors provided for in this Law are formed, the rights and duties of the Free Zone Authorized Body and the Board of Directors shall be exercised by the temporary management body established by the relevant executive authority.