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On July 23, 2021 was adopted a Law of the Republic of Azerbaijan dated July 9, 2021 #360-VIQD on making Amendments

On July 23, 2021 was adopted a Law of the Republic of Azerbaijan dated July 9, 2021 #360-VIQD On making Amendments to the Labor Code, Civil Procedural Code, Family Code, Civil Code, Tax Code, Criminal Procedural Code, Administrative Procedural Code and Code on Administrative Offences, Law "On Social Insurance", Law "On Health Insurance", Law "On State Duty", Law "On Judicial-Legal Council" and the Law "On Administrative Proceedings".

The said law made amendments to a number of legal acts based on the implementation of the Law on Mediation:

1. Labor Code.

According to the amendments, the parties of an individual labor dispute are obliged to attend an initial mediation session before applying to the court.

2. Civil Procedural Code.

A new provision added to the Civil Code provides a mandatory initial mediation session prior to applying to the court regarding commercial disputes, as well as disputes arising from labor and family relations.

If the dispute between the parties is resolved through mediation, a settlement agreement shall be submitted to the court. Upon approval of the settlement agreement, the court shall issue a resolution and terminate the proceedings. In case the dispute is not resolved, a protocol on the results of the mediation process shall be submitted to the court.

The amendments also made some changes regarding the institution of representation in court: the mediator who previously represented the parties in the mediation process can not represent the same parties within court proceedings on the same dispute, as well as a judge who previously acted as a mediator within the same dispute may be recalled.

In addition, the Civil Code was supplemented with a new chapter called "Proceedings for the approval of a settlement agreement concluded as a result of the mediation process", which covers the process of filing an application, its content, the procedure for its consideration, the enforcement of the settlement agreement (if applicable), the grounds for refusing to approve the settlement agreement, etc.

3. Family Code.

According to the amendments, disputes arising from family relations can be resolved through mediation. It is mandatory to attend initial mediation session regarding family disputes before court.

Furthermore, it is now allowed to include terms on mediation in the marriage contract.

4. Tax Code.

The amendments specify that the remuneration received for the provision of mediation services by individuals is classified as income from non-entrepreneurial activities.

5. Administrative Procedural Code.

At any stage of the proceedings, the court may, on its own initiative or at the request of one of the parties, offer to settle the dispute through mediation, taking into account the circumstances of the case. If an "Agreement on the Application of the Mediation Process" is concluded between the parties, the proceedings shall be suspended until a settlement agreement and a protocol on the results of the mediation process are submitted.

6. Code on Administrative Offences.

The amendments added a new article 602-2 to the Code, which defines the violation of the mediation legislation as an administrative offense and provides corresponding sanctions.

7. Law "On Administrative Proceedings".

A new article 80-1 stating that disputes arising from the adoption, execution or repeal of administrative acts by administrative bodies, or other actions or inactions of the administrative body may be resolved through mediation, was added to the Law.

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