

# Decree of the President of the Republic of Azerbaijan

## On further improvement of management in the field of small and medium business

Guided by paragraph 32 of Article 109 of the Constitution of the Republic of Azerbaijan, in connection with the implementation of the Decree of the President of the Republic of Azerbaijan dated December 6, 2016 No. 1138 "On approval of strategic roadmaps for the national economy and key sectors of the economy" for further improvement of business and investment climate in the country, as well as for the purpose of improvement of the system of regulation of entrepreneurial activity and application of effective coordination, increasing the role and competitiveness of small and medium enterprises in the country's economy, adapting the management system to modern requirements, expanding access to financial resources for SMEs and formation of institutional support mechanisms; strengthen and ensure sustainable development on the basis of creating favorable conditions for the development of entrepreneurship in the regions, I decide:

1. To establish the "the Small and Medium Business Development Agency of the Republic of Azerbaijan" with the status of a public legal entity under the Ministry of Economy of the Republic of Azerbaijan.

2. It shall be determined:

2.1. *The Small and Medium Business Development Agency of the Republic of Azerbaijan (hereinafter - the Agency) is a public legal entity that supports the development of micro, small and medium enterprises in the country, participates in the regulation of micro, small and medium enterprises, and coordinates the activities of institutions and private entities in this area and acts as an authorized body;*

2.2. *There shall be established small and medium business houses, as well as small and medium business development centers in major regions and cities of the country, which offer a range of services (training, consulting, information, business incubator, innovation, financial services, etc.) to micro, small and medium entrepreneurs, Public-Private Partnership Development Center, small and medium business development funds;*

2.3. The Agency shall establish a Supervisory Board consisting of 7 people who manage the activities of the Agency and operate on a voluntary basis;

2.4. The Supervisory Board of the Agency shall be formed in the composition consisting of the Minister of Economy, the Deputy Ministers of Finance, Taxes, Labor and Social Protection and Agriculture, the Deputy Chairman of the State Agency for Public Service and Social Innovations under the President of the Republic of Azerbaijan and the President of the National Confederation of Entrepreneurs (Employers);

2.5. The Chairman of the Supervisory Board of the Agency shall be the Minister of Economy of the Republic of Azerbaijan;

2.6. The current management over the activities of the Agency shall be carried out by the Board comprised of five members. The Minister of Economy of the Azerbaijan Republic shall carry out appointment and dismissal of the Chairman of the Management Board, as well as early termination of his powers in an agreement with the President of the Azerbaijan Republic;

2.7. Maintenance and operation of the Agency shall be carried out at the expense of allocations from the state budget, as well as revenues from work, services, donations, grants and other sources specified in the charter.

3. The implementation of the founder's powers in the Agency shall be entrusted to:

3.1. The President of the Republic of Azerbaijan:

3.1.1. Approval of the charter and structure of the Agency, determination of the amount of the charter fund;

3.1.2. Reorganization and liquidation of the Agency;

3.2. The Ministry of Economy of the Republic of Azerbaijan:

3.2.1. Resolution of other issues referred to the powers of the founder of a public legal entity in Article 8.2 of the Law of the Republic of Azerbaijan "On Public Legal Entities", except for those specified in paragraph 3.1 of this Decree.

4. The Cabinet of Ministers of the Republic of Azerbaijan shall:

4.1. prepare and submit to the President of the Republic of Azerbaijan within three months proposals on adapting the acts of the President of the Republic of Azerbaijan into compliance with this Decree;

4.2. ensure the compliance of normative legal acts of the Cabinet of Ministers of the Azerbaijan Republic with this Decree within three months, and duly inform the President of the Azerbaijan Republic;

4.3. prepare and submit to the President of the Republic of Azerbaijan within two months a draft of the charter and structure of the Agency, as well as proposals on the amount of the authorized fund;

4.4. ensure the liquidation of structural units (institutions) of the Ministry of Economy of the Republic of Azerbaijan performing the functions provided for in paragraph 2.1 of this Decree and the transfer of their material and technical base to the balance of the Agency within two months and duly inform the President of the Republic of Azerbaijan;

4.5. control the compliance of normative legal acts of central executive bodies with this Decree and duly inform the President of the Azerbaijan Republic on its implementation within five months;

4.6. resolve other issues arising from this Decree.

5. The Ministry of Economy of the Republic of Azerbaijan:

5.1. apply to the Ministry of Taxes of the Republic of Azerbaijan for state registration of the Agency within 3 (three) days after approval of its charter and structure in accordance with the Law of the Republic of Azerbaijan "On State Registration and State Register of Legal Entities";

5.2. take measures to assess the state property transferred to the balance of the Agency in accordance with paragraph 4.4 of this Decree and take it into account in the authorized fund of the Agency;

5.3. resolve other issues arising from this Decree.

6. The Ministry of Taxes of the Azerbaijani Republic shall take necessary measures for the state registration of Agency.

7. The State Agency for Public Service and Social Innovations under the President of the Republic of Azerbaijan shall solve the issues arisen from this Decree.

8. The state bodies envisaged under paragraph 2.4 of this Decree shall submit their proposals on their representatives to be represented on the Supervisory Board of the Agency to the Administration of the President of the Republic of Azerbaijan within one month.

9. The Ministry of Justice of the Republic of Azerbaijan shall ensure the compliance of normative legal acts and normative acts of central executive bodies with this Decree, and duly inform the Cabinet of Ministers of the Republic of Azerbaijan.

**Ilham Aliyev,**  
**The President of the Republic of Azerbaijan**