



Center for Analysis of  
Economic Reforms  
and Communication

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# AZERBAIJAN ECONOMIC REFORMS REVIEW



## Decree of the President of the Republic of Azerbaijan “On ensuring the activities of the State Agency for Mandatory Medical Insurance”



The President of the Republic of Azerbaijan, Mr. Ilham Aliyev, signed a decree “On ensuring the activities of the State Agency for Compulsory Medical Insurance”, dated September 6, 2017



According to the decree, the following institutions are entrusted to exercise the powers of the founder at the State Agency for Mandatory Medical Insurance (hereinafter referred to as the Agency) under relevant provisions:

The President of the Republic of Azerbaijan:

- Approve the charter and determine the size of statutory fund of the Agency;
- Approve annual financial reports;
- Create an executive body, determine its powers and decide on early termination of its powers;
- give consent to the establishment of or participation in economic companies and institutions and to the creation of departments, branches and representative offices;
- give consent to making deals in excess of 25 percent of the value of net assets (special value transactions), as well as transactions amounting to five or more percent of assets of the Agency;
- Reorganization and liquidation of the Agency;

The Agency:

- Identify development trends;
- Approve the structure.

The following provisions have also been approved under the Decree:

- the primary statutory fund of the Agency is formed from the state budget and amounts to 4,000,000 (four million) AZN;
- the board is created in order to manage the activities of the Agency;
- Decision on appointment and dismissal of the Chairperson of the Board of the Agency and his/her deputies, as well as early termination of their powers shall be made by the President of the Republic of Azerbaijan.

In this case, it is worth to note that from the date of state registration of the Agency, the property owned by the State Agency for Mandatory Health Insurance under the Cabinet of Ministers is transferred to the

Agency's balance.

According to the Decree, the Cabinet of Ministers of the Republic of Azerbaijan was instructed to prepare and submit to the President of the Republic of Azerbaijan proposals on bringing regulatory legal acts of the President of the Republic of Azerbaijan, regulatory acts of the Cabinet of Ministers and central executive authorities in compliance with this Decree.

Along with this, the Cabinet of Ministers of the Republic of Azerbaijan has been given the following instructions:

- ensure the transfer of property owned by the State Agency for Compulsory Medical Insurance under the Cabinet of Ministers of the Republic of Azerbaijan to the ownership of the Agency within a month from the date of the state registration of the Agency,;
- Prepare and submit, within three months, to the President of the Republic of Azerbaijan a draft procedure for carrying out investment operations of the Agency.

The Agency, in turn, will have to ensure the implementation of the following instructions given under the Order:

- appeal within three days from the date of entry into force of this decree to the Ministry of Taxes for state registration as prescribed by the Law on State Registration and the State Registry of Legal Entities;
- Approve within a month, upon agreement with the President of the Republic of Azerbaijan, the structure and the staff limit of the Agency.

Under the Decree, the Ministry of Taxes of the Republic of Azerbaijan was instructed to implement the necessary measures in connection with the state registration of the Agency, while the Ministry of Finance of the Republic of Azerbaijan was tasked to allocate within a month necessary financing in the amount specified in the Decree.



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