
About 55-60% of trade in Azerbaijan is beyond official control

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About 55-60% of trade in Azerbaijan is hidden from official control ("gray trade"), said chairman of the Association of Businessmen and Producers Sevgim Rahmanov, commenting on the situation in the sphere of trade.

According to him, they are holding regular discussions with entrepreneurs. He noted that official reporting of statistical bodies of the country can cover just about 35-40% of trade turnover in Azerbaijan.

"The causes of the problem is that today most trade objects of the country pay taxes on facilitated system, in the framework of which the quarterly turnover must not exceed AZN 22,500. Thus, it means that the daily turnover of a trade object, related to the facilitated system, must not exceed AZN 290, which is in fact absurd!", noted Rahmanov saying that for legalization of trade turnover in the country the Association has prepared a package of proposals.

"To study these or other issues, we have prepared a project to study the trade legislation, in the framework of which we are going to introduce our law-making initiatives to the government by the end of this year.

In particular, we offer to raise the minimal limit of the facilitated system up to AZN 200,000 per quarter. Under such changes, entrepreneurs will not purposely reduce the volume of trade turnover and the real volume of trade in the country will be revealed", said he.

At the same time, he stressed the need to adopt a general law on trade, to envision basic principles of trade policy in the country.

"It is necessary to establish state regulation over the wholesale and retail trade and specify which trade should be considered retail and wholesale.

It is important to define legal basis of regulation of the so-called seasonal trade, retail and wholesale trade. It is necessary to adopt separate draft law on these subsectors of internal trade.

At the same time, it is necessary to work out separate regulations on definite sector of internal trade, including retail, wholesale, street, seasonal and so on. Moreover, in Azerbaijan it is important to ratify and apply rules of creation and elimination of trade objects, which will allow regulating the situation in this sphere. There are problems in the catering sector, where there is not a general legislative act, regulating the said activity", noted Rahmanov.
