
Nazim Mamedov : « Over 95% of privatized enterprises are idle in Azerbaijan »

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Over 95% of privatized enterprises are idle in Azerbaijan, said Nazim Mamedov, member of the permanent parliamentary commission on economic policy.

"The process of privatization of state property in Azerbaijan has lasted for 11 years. There is a due decree of the president of the country "On measures to improve privatization enterprises", which will promote raising investments into these structures. But about 50% of vouchers, distributed among the population have not been used yet, which raises concerns. Another concern is that over 95% of privatized state enterprises are currently idle. The stocks of these privatized enterprises are not used in transactions on the market, while the stock companies should be regulated by a mechanism, defined by the quoting of stocks in the "open market", noted he.

According to Mamedov, the reason of such a poor state is a low level of management at these enterprises, unskillful regulation by the leaders of the privatized enterprises.

"Most of the citizens, who apply to us, complain about violation of their rights - these people have not received the dividends from privatization for years.

The property, inventory (buildings, lands, equipment and facilities), which constitute for the founding capital of a privatized enterprise, is often sold to new heads.

It all leads to serious social discontent among the population and in this connection a part of small shareholders are obliged to file a claim to courts to restore their rights. If a shareholder owns the main package of stocks, it does not mean that he should dominate in the stock company management. In fact, according to the rules, 55% of stocks of a privatized enterprise should go for attraction of a strategic investor of an enterprise, 15% for the privileged sale to the enterprise staff and so on", said he and added that the privileged sale, which, in fact, must envision the right of each employee for a definite part of the stocks of a privatized enterprise.

"The investment funds, engaged in attraction of vouchers from ordinary people, including employees of the social sphere, whose enterprises have not been privatized, must have been created for the purpose. On the basis of these vouchers the representative of the working class could have claimed for definite receipts in a form of dividends. But in real some people purchased the main part of vouchers, thus leading privatized enterprises and in the result they led to their bankruptcy due to the incompetent management. In order to improve the situation in this sphere the Cabinet of Ministers and the due executive powers must improve work for raising transparency in this sphere and ensuring effectiveness of privatized enterprises management", concluded Mamedov.
