



# **The Law of the Azerbaijan Republic**

## **On Transport**

The present Law establishes legal, economic and organizational basis for the operation of transport.

### ***Chapter 1. General Provisions***

#### ***Article 1. General definitions***

General definitions used for the purpose of the present Law are as follows:

- «**Transport**» stands for facilities transporting cargoes and people, including railway, air, motor, marine, internal water transportation facilities and city trains, metro, that came through state registration applied on the territory of the Azerbaijan Republic in the fixed order, as well as main pipelines located on the territory of the Azerbaijan Republic;
- «**Transport enterprise**» stands for legal entity, operating in conformity with its foundation documents, which renders services of cargo, passengers and mail transportation, parking of transportation facilities, maintenance and repair, loading-unloading and port services;
- «**Carrier**» stands for legal or natural entity, owning, leasing or disposing on other legal grounds of transportation facilities and renders paid or hired services on passengers, cargo and mail transportation;
- «**Customer**» stands for a legal or natural entity, such as consignor, consignee, passenger, leaseholder or others, using transportation facilities under the contract, concluded with the carrier.

#### ***Article 2. Transport legislation***

1. Relations connected to transport operation are to be regulated by the present Law, codes and charters on certain kinds of transport, other normative and legal acts of the Azerbaijan Republic.

2. Relations in the field of main pipelines are to be regulated by the corresponding legislation of the Azerbaijan Republic.

3. Terms of transportation and unloading, rules for the use of transportation facilities, ensuring of transportation, labor and fire safety, observance of technical and technological, ecological and sanitary norms are to be regulated by the normative and legal acts on the corresponding kinds of transport, as well as mutual agreement of parties, that shall be obligatory for all participants of transport relations.

4. If rules, differing from those of the present Law are used in the international treaties, supported by the Azerbaijan Republic, the rules of the treaties in question are to be applied.

### **Article 3. Ownership relations in the field of transport**

Transport is based on state, private and municipal property in the Azerbaijan Republic.

All owners of transportation facilities enjoy equal rights and are equally protected by the Law.

State purpose railways and their engineering constructions, main pipelines, beacons, buildings and navigation signs, regulating safe traffic of vessels, air navigation facilities and equipment of air traffic control system and its operation, facilities, ensuring safe flights of airplanes, engineering networks and constructions, connected to air transportation, as well as metro, available for public disposal represent state property.

### **Article 4. Transport purpose land. Allotment of land and water areas for transportation purposes.**

1. Land of transport purpose includes the following:

- a) Land, allotted by the transport enterprise for the provision of normal operation of transport projects.
- b) Land, crossed by transport ways and main pipelines
- c) Land, allotted for special protection zones of transport constructions and other transport projects in places, subject to landslide, mudflow and other natural disasters.

2. Relations, appearing during the transfer of land and water areas, mentioned in the paragraph 1 of the present article into ownership, lease or use by corresponding transport enterprise and rules for the use of these areas and projects, are to be regulated by [the Land Code of the Azerbaijan Republic](#), [Water Code](#) and other normative and legal acts.

3. Special protection areas can be established in the legally applied order to ensure safe operation of transport facilities and other transport projects on the territories, subject to landslides and other dangerous natural phenomena.

## **Chapter II. State regulation and control in the field of transport**

### **Article 5. State regulation in the field of transport**

State regulation in the field of transport is carried out by means of legal support policy, taxation, financing, estimation, investments and common scientific and technical policy.

Interference of state and municipal authorities with the economic activity of transport enterprises, as well as attraction of operational staff of transport enterprises to non-related works is not admitted, excluding legally specified cases.

## ***Article 6. State control in the field of transport***

There are following general aims of state control in the field of transport:

- implementation of economic, investment, tariff and scientific-technical policy in the field of transport, organization and development of purpose programs on different kinds of transport;
- control over implementation of reforms in connection with the transfer of transport complex to market relations;
- forecast of state needs, including those of defense in cargo transportation and other transportation services, organization and coordination of activity of transport complex on their provision;
- provision of equal terms to conduct purpose measures on the restriction of monopoly activity and development of competition in transport, as well as carrying out economic activity by all transport enterprises independent of the form of their property;
- carrying out of state regulation to ensure safe, efficient and regular work of transport complex;
- establishment and improvement of normatives on the operation of transport complex and certain kinds of transport;
- protection of state interests, legal interests and rights of transport enterprises and transport users in relation to transport issues;
- increase of efficiency and competitiveness of national transport complex at world market of transport services, attraction of foreign investments;
- strengthening and development of mutual cooperation with foreign countries in the field of transport.

## ***Article 7. Rights and duties of municipal authorities in the field of transport***

Rights and duties of municipal authorities in the field of transport are to be established by the legislation on municipal authorities.

## ***Chapter III. Grounds of transport operation***

### ***Article 8. Grounds of economic activity in the field of transport***

1. Market of supply-demand for transportation services lays a foundation for economic relations in the field of transport.
2. Transport enterprises and carriers undertake their activity on the basis of commercial and economic principles.
3. Transport enterprises and carriers render transportation and other services on the basis of contracts, concluded according to the legislation.
4. ~~Corresponding state bodies determine financial sources of compensations to transport enterprises during establishment of exemptions for transportation services for people of certain categories, including right for free travel.~~

5. Construction of railway stations, stations, metro stations, ports, airports, bridges, passenger bridges and tunnels, passenger platforms and other projects of transport services for passengers is to be carried out at the expense of state and local budgets, transport and other enterprises, as well as charitable contributions of legal and natural entities.

Transit travels, conducted by foreign transport enterprises on the territory of the Azerbaijan Republic as well as use of water, motor ways and railways, state ports, services of flight control system in the air and air navigation services are to be charged in the order, fixed by the normative and legal acts and international treaties of the Azerbaijan Republic.

### ***Article 9. Transportation of cargoes, passengers, mail and rendering of transportation and forwarding service***

1. Transportation of cargoes, passengers, mail and rendering of transportation and forwarding service are to be conducted on the basis of corresponding contracts, concluded according to legislation.

2. Terms of transportation and forwarding service, as well as material responsibility of parties are to be determined on the basis of concluded contracts, unless otherwise stipulated by the legislation.

3. In case of necessity for regular transportation, carrier and consignor can conclude contracts on the organization of transportation in question.

Along with other contractual duties on cargo transportation, carrier is to accept the cargo within agreed terms, whereas consignor is to submit the said cargo for transportation.

The contract on transportation is to mention amount, period, quality of transportation, terms of rendering transportation facilities and submittal of cargo for transportation, other terms of transportation, not stipulated by the normative and legal acts.

### ***Article 10. Direct mixed transportation***

1. Railways, marine, internal water, air and motor transport forms the system of mixed transportation.

2. Mutual relations of transport enterprises during transportation of cargoes, passengers, luggage and mail on the basis of one document by different transportation facilities (direct mixed transportation), as well the order of organization of this transportation are to be determined by contracts on direct mixed transportation, concluded according to legislation between enterprises of the corresponding transportation facilities.

### ***Article 11. Charge for transportation***

1. Charge for transportation of cargoes, passengers, luggage or mail is to be fixed by the contract (agreement), unless otherwise specified by the legislation.

2. To ensure state social-economic policy or restrict monopoly activity in the field of transport and stop unfair competition, tariffs can be applied to certain kinds of transportation services (common tariffs), controlled in the legally fixed order.

3. Payment of works and services, conducted by the customer's order and not specified by the operating tariffs, is to be effected on the basis of contract, concluded between the customer and carrier.

4. Disputes related to the payment for transportation are to be settled according to legislation and transportation contract.

### ***Article 12. Period of transportation of cargoes, passengers and luggage to the destination point***

Cargo carrier is to transport cargo, passenger or luggage to the destination point within the period, established by codes, charters on certain transportation facilities, as well as legal and normative acts and contracts on transportation rules.

### ***Article 13. Passenger's rights***

Passengers are entitled to:

- Purchase a ticket for any transportation facility on any route, open for passenger transportation;
- Have a seat according to the purchased ticket;
- Be accompanied either free or on other terms by children within age limits, specified by the corresponding normative and legal acts;
- Take bags within fixed norms free of charge;
- submit luggage for transportation according to tariff;
- have compensation for transportation being completed later without excuse;
- return ticket before the start of transportation and have paid sum back from the transport enterprise, conducting transportation (carrier).

The amount of money returned by the carrier, rules of return and compensation are to be established by normative and legal acts on certain kinds of transport.

Carrier, refusing to continue transportation is to pay for passenger's transportation to the destination point at his own expense or pay all the damage, incurred by the passenger as a result of contract breach.

### ***Article 14. Transit transportation of cargoes and passengers***

Transit transportation of cargo and passengers via the territory of the Azerbaijan Republic is to be carried out by railway, air, motor, marine, internal water transportation facilities according to legislation, international treaties of the Azerbaijan Republic on routes (roads, main roads, and water ways), opened for international (intergovernmental) transportation.

## ***Chapter VI. Safety and responsibility in the field of transport***

### ***Article 15. Right of control over transportation facilities***

1. Right of control over transportation facility is to be given to natural entities, meeting corresponding professional demand, whose health corresponds to appropriate norms. Right of control over transportation facility is to be confirmed by the document, issued in the form and order, established by the corresponding normative and legal acts.
2. Professional requirement to control over transportation facility and medical norms in relation to driver's health are to be fixed by the corresponding normative and legal acts.

### **Article 16. Carrier's responsibility**

1. Carrier is to ensure passenger's safety, create conditions for rendering of necessary services, timely transportation and safety of transported luggage or cargo.
2. If carrier fails to fulfill his responsibilities (obligations), connected to the transportation, carrier is to bear material responsibility in the order, established by the present Law, codes, charters on certain kinds of transport and other normative and legal acts, as well as transportation contract.

In cases, not specified by the legislation, agreements on the restriction of carrier's material responsibility or his release from such responsibility are to be considered void.

3. If suspension or disturbance of trips, mentioned in the schedule or contract on passenger transportation, excluding city and suburban trips, takes place through carrier's fault, he is to take responsibility in relation to passengers in the order, fixed by the corresponding normative and legal acts, codes, charters on certain kinds of transport and contracts.

If there is and evidence that disturbance of passenger transportation has taken place as a result of uncontrolled power, menace to life or health of passengers or because of other reasons, not controlled by the carrier, the carrier will be released from any material responsibility.

4. Should the passenger refuse transportation as a consequence of delay in departure of transportation facilities, carrier is to return charge of transportation to passenger in full amount.
5. Should delay of passenger transportation exceed 8 and more hours, carrier is to provide passengers with hotel and catering at his own expense.
6. At passenger's demand he is provided with official document on delay of transportation or change of trip, or a corresponding mark is made on the ticket.
7. Legislation, codes and charters on certain kinds of transport can stipulate other forms of carrier's responsibility.

### **Article 17. Carrier's material responsibility for non-submittal of transportation facilities and customer's material responsibility for non-use of submitted transportation facilities**

If carrier does not submit or untimely submits transportation facilities to consignor for the purpose of cargo transportation despite the agreed transportation contract (order) or if customer does not use or untimely uses transportation facilities submitted for the purpose

of cargo transportation, they bear material responsibility in the order, established by codes, charters on certain kinds of transport, as well as transportation contract.

If carrier or consignor (consignee) find evidence, that non-submittal or untimely submittal or non-use or untimely use of transportation facilities correspondingly took place as a consequence of uncontrolled power or restriction of the order of transportation at certain routes, stipulated by corresponding normative and legal acts, or a consequence of other reasons, not controlled by carrier or consignor (consignee), he is to be released from material responsibility.

### **Article 18. Carrier's responsibility for the loss, shortage or damage of cargo or luggage**

1. Carrier is to provide safety of cargo or luggage since its accept for transportation and until its handing in to consignor (passenger)

2. Unless there is evidence, that loss, shortage or damage of cargo has taken place not through carrier's fault (because of reasons, not controlled by the carrier *in cases stipulated by the Civil Code of the Azerbaijan Republic*), carrier bears responsibility in the order, established by the corresponding normative and legal acts, codes, charters on certain kinds of transport or contract.

3. Carrier is to compensate the damage, incurred by the passenger during transportation of cargo or luggage in the amount stated below, unless other wise specified by the corresponding normative and legal acts, codes, charters on certain kinds of transport or contract:

- In case of loss or shortage of cargo and luggage – in proportion to the amount of loss or shortage of cargo or luggage;
- In case of damage to cargo or luggage – in the amount of decrease of its cost, and if it is impossible to restore the damaged cargo or luggage – in the full amount of its cost;
- In case of loss of cargo or luggage, submitted for transportation with declaration of its cost – in the amount of declared cost of the said cargo or luggage. If carrier grounds, that actual cost of cargo or luggage is lower than declared – in the amount of the actual cost of cargo or luggage.

In case of disputes about cases mentioned above, cost, specified in transportation contract and waybill in relation to consignor's payment of transportation charge can be used as an actual cost of cargo or luggage. In case of cargo or luggage cost not specified in the transportation contract, and if settlements on the cargoes have not been effected through the bank, the cost of compared similar products at the date of damage compensation can be used as a basis.

4. Apart from the compensation in connection to the loss, shortage or damage of cargo or luggage, carrier is to return customer payment, accepted for transportation of cargo or luggage (unless this payment is included into the cost of cargo or luggage).

5. Cases that can be used as grounds for attraction of carrier or customer to material responsibility are to be confirmed by the documents drawn up in the established order (commercial act, general purpose act, etc), which can be submitted for consideration of disputes related to transportation in court.

## ***Article 19. Claims on cargo transportation***

1. Demand *may* be submitted to carrier in the order and terms, specified by the legislation, codes, charters on certain kinds of transport, other normative and legal acts before bringing a claim on transportation against this carrier.
2. Carrier is to consider submitted demand within established term and notify the claimant about its full or partial meeting or decline.

## ***Article 20. Carrier's responsibility for damage, caused to passenger's health or for passenger's death***

If there is evidence that damage, caused to passenger's health or the death of passenger took place as a result of uncontrolled power or passenger's own encroachment, carrier bears material responsibility in the applied order, unless stricter responsibility is specified by the legislation.

## ***Article 21. Protection of cargoes and projects in the field of transport***

1. Protection of cargoes and transport projects, as well as conducting of preventive fire measures (actions) at railway, marine, pipeline and air transport and liquidation of consequences of fire is to be carried out in the order, specified by transport enterprise and special military guarding services.

Employees of military guarding services are provided with arms and special facilities in the legally applied order.

Regulations for the use of arms and special facilities are established by the corresponding normative and legal acts.

2. Protection of important transport projects and special cargoes is to be carried out in the order and at the list, established by the corresponding executive authority.

3. Protection and surveillance of dangerous and precious cargoes, list of which is confirmed by the corresponding executive authority is to be carried out by consignor (consignee) on the whole route of their transportation.

## ***Article 22. Ensuring of safety and ecological standards in the field of transport***

1. Transport enterprises and carriers are bound to ensure safety to life, health and property of passengers, safety of movement of transportation facilities, as well as protection of environment.

2. Transportation facilities, roads, as well as corresponding technical facilities (services, works), ensuring transport operation are to meet state standards, obligatory requirements to the safety of life, health and property of person, labor protection and ecological safety.

3. Customers, sending and accepting explosive, combustible, radioactive, poisonous and other dangerous cargoes, are to guarantee safety of their transportation, have necessary means and staff for notification about emergency during transportation, as well as



liquidation of consequences of such emergency. Regulations for transportation of dangerous cargoes are to be issued by the corresponding executive authority.

4. Territories of transport projects (stations, ports, bus stations, airports, motor-transport terminals, waterways and railways) used during movement of transportation facilities and loading / unloading works, are considered areas of high danger. Unauthorized persons should not be admitted to such areas. Regulations for presence and conducting of works in the area of high danger are to be issued by the corresponding executive authority.

5. During the operation of transportation facility ecological norms and rules, guaranteeing safety of population and ecological environment, ensuring protection of air, land, water, plants and animals against pollution and rational utilization and development of natural resources, are to be applied.

Transportation of radioactive and toxic wastes from foreign countries for their burial and storage on the territory of our country and *its export by transit from the territory of the country* is forbidden

6. Engineering and construction of transport enterprises, as well as placement of underground facilities in areas with fossils is forbidden. The above is possible in exclusive cases at the permission of corresponding executive authority.

7. Transport enterprises (carriers) are bound to take necessary measures to protect environment, air, water reservoirs, land and rationally use natural resources. Transport enterprises (carriers) bear responsibility in legally applied order for the damage, caused to environment.

### **Article 23. Insurance in the field of transport**

1. Insurance of cargoes, passengers and transportation facilities in the field of transport is carried out voluntary under the legislation, unless otherwise specified by the legislation or international treaties.

2. In case, specified by the legislation, it is permitted to use transportation facility on condition of obligatory insurance of civic responsibility of their owner (carrier).

3. Obligatory insurance of international transportation is to be carried out under corresponding international treaties and (or) the present Law.

### **Article 24. Responsibility for the breach of norms and rules, regulating transport operation**

Persons, breaching norms and rules, regulating transport operation bear responsibility in the legally applied order.

## **Chapter V. Final provisions**

### **Article 25. Control in the field of transport**

1. Control over provision of safe movement of transportation facilities is to be carried out in the order, established by the corresponding executive authority.

2. Technical inspection of transportation facilities is to be carried out only in cases, specified by the legislation.

## **Article 26. International cooperation in the field of transport**

International cooperation in the field of transport is to be carried out on the basis of intergovernmental, interstate, departmental treaties (agreements, contracts), as well as treaties (agreements, contracts) directly concluded by transport enterprises and carriers with foreign legal and natural entities according to legislation.

*The President of the Azerbaijan Republic*

*Heydar ALIYEV.*

*Baku, June 11, 1999.*

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