

Legal Newsletter (February 2020)

The present Newsletter relates to significant legislative amendments made into different legislative and statutory acts in February 2020.

Product Safety and Free Movement Code

On 5th of February, 2020, an amendments was made into the Product Safety and Free Movement Code, in particular, Part 4 of the Article 26 was formulated as follows:

“4. In case of non-elimination of the legal grounds for imposing a fine, every 3 months upon its imposition, the persons referred to in paragraphs 1 and 3 of this Article shall be fined three times the amount of the fine which may be imposed to the violator not more than three times, except as provided for in Part 4 of the Article 45¹ of this Code.”

The following Article 45¹ is supplemented to the Code:

"Article 45¹. Non-consideration of space arrangement, architectural and planning elements for persons with disabilities as provided by the relevant Technical Regulations.

1. Non-consideration of space arrangement, architectural and planning elements for persons with disabilities as provided by the relevant Technical Regulations -

Will result in a fine of GEL 30,000.

2. State Supervisory Body for Construction Business along with adoption of resolution for penalty on construction violations provided by the First Part of this Article warns violator in written regarding provision of compatibility for arrangement of space and architectural and planning elements for persons with disabilities and grants no less than 30 day-limit to remedy the defects”.

3. Failure to comply with the requirements of paragraph 2 of this article will result in a double penalty of the fine set forth in paragraph 1 of this article.

4. The provisions of paragraphs 2 and 3 of this Article shall apply before arrangement of space and architectural and planning elements for persons with disabilities.”

The same law stipulated the obligation to ensure compliance with the relevant technical regulations and the National Accessibility Plan for constructed and under-construction public buildings. Terms for compliance deadlines have been determined in accordance with the Universal Design Standards Technical Regulations and/or the National Accessibility Plan. In case of non-compliance with the stated requirements of the specified sites, the cases of construction offenses shall be conducted according to the general rules.

This Law, with the exception of Article 2 of this Law, shall enter into force on 12th of May, 2020.

Article 2 of this Law shall enter into force on 14th of June, 2021.

The same amendments were done into the law of Georgia on Space Planning, Architectural and Construction Activities (Please see Legislative Herald of Georgia (www.matsne.gov.ge), 13.08.2018, registration code: 330090000.05.001.019104).

№17/04 Order of the President of the National Bank of Georgia

On 5th of February, 2020, the rules for determining, imposing and enforcing amount of monetary penalties for currency exchanges points were approved. This rule determines the issues of determining, imposing and enforcing monetary penalties on the currency exchange points of the National Bank of Georgia. According to the Organic Law of Georgia “on National Bank of Georgia”, the National Bank of Georgia is authorized to use different kinds of sanctions towards currency exchange points, including, impose monetary penalties prescribed with this Rule, if currency exchange point and/or branch of currency exchange point has violated different requirements, instructions, legal acts and etc. indicated in the mentioned Rule.

The Order was enforced immediately after publication.

№257 Order of the Minister of Finance of Georgia

On 11th of February, 2020, an amendment was made into the Instruction “on Temporary Importation Procedure” adopted by the Order N257 of August 29, 2019 of the Minister of Finance of Georgia “on adoption of instructions on the goods movement and registration at the Customs Territory of Georgia”. In particular, the Article 3 was supplemented with R subparagraph of the following wording: “R) Slot Machines provided by 9504 30 sub-position of HS tariff.” The amendment bans the temporary importation of these slot machines into the territory of Georgia.

The order came into force on the 30th day after its publication.

The First Article of this Order will not apply to the slot machines that before enforcement of this order are in the regime of temporary import procedure/temporary import goods operation under the #9504 30 sub-position of HS during relevant customs declaration term

№26/04 Order of the President of National Bank of Georgia

On 26th of February, 2020, an amendment was made to the Order №37/04 of February 28, 2018 of the President of the National Bank of Georgia “on Approval of the Rules for Registration and Regulation of Currency Exchange Points”. In particular, Paragraph 2 of the First Article was formulated as follows:

“2. According to the requirements of this Rule, after registration in the National Bank, the business entity is obliged to carry out only cash exchange operations in the point/branch, as its business activity, except for commercial bank, microfinance organization, lending entity – on the basis of 2¹ paragraph of this Article, except for payment service provider agent – on the basis of 2² paragraph of this Article and in exceptional cases provided by this Rule.”;

After Paragraph 2¹ was supplemented Paragraph 2² of the following wording:

“2². The Exchange Point is authorized to perform the function of payment service provider agent as defined by (“3⁸”) Sub-Paragraph of Article 2 of Georgian Law “on Payment System and Payment Service” on securing requirements determined by the payment service provider agent with N12 and N14 Articles “of rule for registration and regulation of service payment provider” adopted by №29/04 Order of 28 February, 2017 of the President of National Bank of Georgia.”

2. The Article 5 was supplemented with Paragraph 4 of the following wording:

“4. The National Bank shall issue an individual administrative-legal act on the cancellation of the registration of the Point, which shall state the grounds for the cancellation of the registration.”

The Order came into force immediately after publication.