

Legal Newsletter

(October, 2020)

The present newsletter contains significant legislative changes made in various legislative and sub-legislative acts in October 2020.

The Law of Georgia "On Labor Inspection"

On 5th of October, 2020, the Parliament of Georgia adopted the Law on Labor Inspection.

The law defines the main principles and directions of the activity of the Labor Inspection Service, the authorities of the Labor Inspection Service, issues related to the implement of these authorities and the effective use of labor norms.

The law also regulates basics of starting an inspection and the use and fulfillment of labor norms within the limits of supervision.

It is important to note that the Code contains the concept of administrative liability for violation of labor provisions and establishes the rules for its appeal.

According to the abovementioned, administrative liability for violation of labor provisions is defined by the Organic Law of Georgia "On Labor Safety" and the Organic Law of Georgia on the "Labor Code", as for the penalties for violating labor provisions, it is limited to warnings, fines and suspension of work.

You can see the above law in detail at the link: <u>https://matsne.gov.ge/</u>, with registration code: 270160000.05.001.020211

The law came into force on 5th of October, 2020.

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The Law of Georgia "On Entrepreneurs"

On 5th of October, 2020, legislative changes were made to the Law of Georgia "On Entrepreneurs". As a result of the amendments to the law, paragraph 7^2 of the article 9 of the Law was amended, which, with the new edition formed as follows:

"7². In the cases provided in sub-paragraphs "a" and "b" of paragraph 7¹ (termination of registration of the person authorized in management/representation) of this article, the parties are obliged to send a notification in accordance with article 48 of the "Labor Code of Georgia", before submitting the application on termination of the registered person's authority to the registration body. Liability for the damage caused in case of unauthorized termination of this registration rule will be determined by the legislation of Georgia. "

You can see the detailed changes made in the above-mentioned law at the link: <u>https://matsne.gov.ge/</u>, with the registration code: 240000000.05.001.020209

The law came into force on 5th of October, 2020.

The organic law of Georgia "On Labor Safety"

On 5th of October, 2020, a several legislative amendments were made to the organic law of Georgia "On Labor Safety".

As a result of mentioned amendments, the Labor Safety Supervisory Body has been determined, in particular, the Labor Inspection Service of the Ministry of Internally Displaced Persons from the Occupied Territories, Labor and Health and Social Affairs of Georgia, was charged to supervise labor safety.

As a result of the amendments, there has also determined the liability for obstructing the activities of the supervisory body during the exercise of its powers under the Law of Georgia "On Labor Inspection" and established various sanctions.

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In the above law, the amendments mainly concerned the part of the definition of various types of monetary sanctions.

You can see the detailed changes made in the above-mentioned law at the link: <u>https://matsne.gov.ge/</u>, with the registration code: 270000000.04.001.017992

The law came into force on 5^{th} of October, 2020.

The order of the Minister of Finance of Georgia Nº243

On 1st of October, 2020, based on the order issued by the Minister of Finance of Georgia, the requirements and standards for gambling and/or winning games and gaming machines organized in a system-electronic form were approved.

These requirements and standards must be satisfied by a gaming and gambling permit holder, a gambling and/or gaming provider permit holder or a permit holder who uses/has used existed products or services, a POS terminal and / or any other device.

The rules approved by the above order define the requirements of players and their accounts, the requirements for the system or/and platform owned by the system-electronic operator, as well as the requirements toward gaming or/and gambling provider's remote gaming system/platform. Requirements for the system and platform owned by the operators of the electronic totalizator arranged electronically.

In the gaming machine part, the order defines the requirements and standards related to the technical part of the gaming machine and electronic board games.

For a detailed list of requirements and standards approved based on the above order, you can see the link: https://matsne.gov.ge/, registration code: 040170310.22.033.017377

The order came into force on 2^{nd} of October, 2020.

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The order of the Minister of Finance of Georgia Nº240

On 1st of October, 2020, by the order of the Minister of Finance of Georgia, the list of requirements for the electronic gambling business control system was approved.

Based on this order, the requirements that must be satisfied by the electronic gambling business control system are defined, one of the requirement among them is that through the electronic system of gambling business control it should be possible to control the activity with all gambling or/and gambling organizers involved in it, as well as software and equipment used for organizing/providing games with the owner of gambling and/or winning games provider.

The order also defines the requirements for the functioning of the electronic control system and according to its several paragraph the system must operate continuously for 24 hours, informational security requirements must be protected, the information in the system must be protected from loss, deletion, damage or other similar cases.

Detailed list of requirements approved on the basis of the above order can be found at the link: https://matsne.gov.ge/, registration code: 040170310.22.033.017376

The order came into force on 1st of October, 2020.

The resolution of the Government of Georgia №612

On October 6, 2020, on the basis of the resolution of the Government of Georgia, a number of legislative changes were made in the resolution N°386 of the Government of Georgia of June 25, 2020 on the approval of the state program for support the Construction Sector.

As a result of the implemented changes, a number of articles were formed as follows:

1. The following article 4¹ should be added to the resolution:

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"Article 4¹. To request the municipalities, in order to implement the state program "Support to the Construction Sector " at the request of the participants in the competition, to issue a certificate on the total living space of each apartment house provided by the relevant construction documentation."

2. Subparagraphs "A.F", "B.E", "C.B" and C.D" of the paragraph 2 of the article 4 approved by the Resolution of the State Program "Support to the Construction Sector" should be formed as follows:

"A.F) If the cadastral code of the offered residential space is indicated in the tender proposal and there is a decision of the competent authority to declare the building useful for commissioning of the same area, certificate from LEPL - National Agency of Public Registry that no legal restriction (seizure) has been registered on the proposed residential space;

"B.E) If the cadastral code of the offered residential space is indicated in the tender proposal and there is a decision of the competent authority to declare the building useful for commissioning of the same area, certificate from LEPL - National Agency of Public Registry that no legal restriction (seizure) has been registered on the proposed residential space;

"C.B) Photos that reflects the current state of construction (on CD or printed in electronic form);"Subparagraph "C.D" should be removed;

3. The following subparagraphs "E.E" and "E.F" shall be added to subparagraph "E" of paragraph 1 of the article 7: "E.E) Expert conclusion on the constructive stability of the appropriate multi-apartment house;

E.F) Certificate from LEPL - National Agency of Public Registry that no legal restriction (seizure) has been registered on the offered residential space. "

You can see the above-mentioned resolution at the link: https://matsne.gov.ge/, registration code: 330100000.10.003.022332.

The resolution came into force on October 6, 2020.

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