



Georgian Legal News

Refer to the Law

Organic Law of Georgia on Occupational Safety

On 19 February 2019, the Parliament of Georgia adopted a new organic law on Occupational Safety.

The adoption of the law was conditioned by the new redaction of the Constitution of Georgia, which requires that the issue of occupational safety of employees be put on a statutory footing in the form of an organic law.

Furthermore, it was necessary to bring the current law into compliance with international standards and to improve the occupational safety standards of employees with a view to refining the legislative basis.

Accordingly, a new organic law was created that entered into force on 4 March 2019, which is approximated to international standards and serves the aims of protecting the occupational health and safety of employees.

Law of Georgia on Accounting, Reporting, and Auditing

On 27 March 2019, an amendment was made to the Law of Georgia On Accounting, Reporting, and Auditing, according to which:

“The person who has been exercising the authority of a partner for seven years prior to the enactment of this law, and is not a certified accountant according hereto, shall be granted the status of a certified accountant on the basis of a document presented to the agency verifying the provision of audit services. If they are interested in being registered in the registry, it will be implied that the foregoing person has no less than three years of practical experience of auditing financial reports under the supervision of an auditor.”

Order No. 163 of the Government of Georgia

On 29 March 2019, the Government adopted Order No. 163 on Approval of the State Program on the Credit Guarantee Scheme.

Pursuant to the Order, the objective of the State Program on the Credit Guarantee Scheme is to enhance access to finances for those SMEs that do not have means to satisfy (in part or in whole) the requirements for securing a loan.

LEPL Enterprise Georgia ensures the distribution of financial risks of commercial banks for the loans approved by the commercial banks within the scope of the program.

A credit guarantee may be issued only:

- For capital expenditures necessary for the production/provision of a service – in an amount no less than 80 (eighty) percent of the loan issued to a beneficiary within the scope of the State Program; or
- For the purposes of working capital – in an amount no less than 20 (twenty) percent of the loan issues to a beneficiary within the scope of the State Program.

Order No. 472 of the Government of Georgia

According to Order No.472 of the Government of Georgia, the production, importation, and sale of plastic bags of any width shall be prohibited as of 1 April 2019.

Bill on Mediation

A bill on mediation has been submitted to the Parliament of Georgia which determines the general principles applicable to mediation, the procedure for activities by mediators, their powers and other matters related to mediation, including that:

- Mediation may take place with the participation of one mediator or simultaneous involvement of more than one mediator;
- Parties determine the mediator. In case of court mediation, the mediator must be selected among those in the unified registry of mediators;
- The prerequisite for the commencement of mediation is the party agreement on mediation as well as any other grounds determined by law or motions of the parties before the court or a transfer of the case to the mediator by another authorised body;
- The parties may agree on the rules of the procedure for mediation;
- The party to the mediation may participate in the procedure in person or through an authorised representative. The mediator may request that the party/parties take part in the procedure in person;
- The mediation is confidential.

Contacts

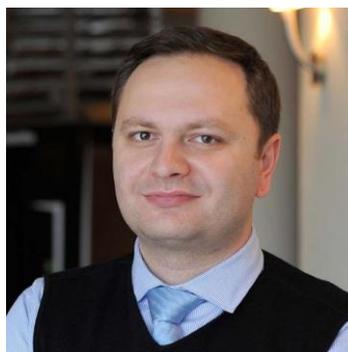
If you have any questions regarding the information provided in this newsletter, please contact one of the Tax & Legal professionals at our Deloitte office in Georgia:



Giorgi Tavartkiladze

Director of Tax & Legal
Department

gtavartkiladze@deloitte.ge



Giorgi Khurodze

MLB (Bucerius/WHU)

Head of Legal,
Attorney at Law

gkhurodze@deloitte.ge

Tbilisi

King David Business Center

12 Merab Aleksidze Street, 15th floor
Tbilisi, 0171,
Georgia

Tel: +995 (32) 224 45 66

Fax: +995 (32) 224 45 69

deloitte.ge



deloitte.ge

About Deloitte

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL (also referred to as "Deloitte Global") does not provide services to clients. Please see www.deloitte.com/about for a more detailed description of DTTL and its member firms.

Deloitte provides audit, consulting, financial advisory, risk management, tax and related services to public and private clients spanning multiple industries. Deloitte serves four out of five Fortune Global 500® companies through a globally connected network of member firms in more than 150 countries bringing world-class capabilities, insights, and high-quality service to address clients' most complex business challenges. To learn more about how Deloitte's approximately 286,000 professionals make an impact that matters, please connect with us on [Facebook](#), [LinkedIn](#), or [Twitter](#).

This communication contains general information only, and none of Deloitte Touche Tohmatsu Limited, its member firms, or their related entities (collectively, the "Deloitte Network") is, by means of this communication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser. No entity in the Deloitte Network shall be responsible for any loss whatsoever sustained by any person who relies on this communication.