

BGI Law Brief

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Georgia Ratifies the Singapore Convention on Mediation

On 29 June 2022, the United Nations Convention on International Settlement Agreements Resulting from Mediation, also known as “*Singapore Convention on Mediation*” (**Convention**) came into force in Georgia. The Convention establishes a harmonized legal framework for enforcement of settlement agreements. The Convention was ratified by the Parliament of Georgia on 22 June 2021 under the following reservations:

a) the Convention shall not apply to settlement agreements to which Georgia is a party, or to which any governmental agencies or any person acting on behalf of governmental agency is a party; b) the Convention shall apply only to the extent that the parties to the settlement agreement have agreed to the application of the Convention.

New Maritime Regulations Adopted in Georgia

On 25 July 2022, the Maritime Transport Agency (**Agency**) of the Ministry of Economy and Sustainable Development of Georgia (**MoESD**) issued Order N24 on Approval of the Harbor Rules (**Rules**). The Rules are effective from 28 July 2022, except for the provisions covering the operations at the Batumi Yacht Club, which shall take effect by 1 January 2023. The Rules regulate the navigation of sea vessels (excluding military and state non-commercial fleet) in the seaports of Georgia, including entry, anchoring and departure, escorting, towage, berthing, transportation of passengers and cargo, as well as cargo operations, such as planning and control of cargo loading, unloading and storage. The Rules also govern matters relating to the safety of vessel traffic, and the rendering of port services, environmental protection, and operational order in the sea port area.

In addition, on 27 June 2022, the Government of Georgia (**GoG**) adopted Resolution N339 on Approval of the Rule for the Usage of Georgian Port Entrance Channels (**Rule**). The purpose of the Rule is to ensure safe navigation of sea vessels of foreign nationality through entrance channels of

Georgian open ports as well as proper functioning and maintenance of those channels.

Government Adopts Certain Measures to Support the Ukrainian Refugees

On 13 July 2022, the GoG issued Order N1254 on Socio-Economic Support Measures for Citizens and Permanent Residents of Ukraine, Seeking Shelter in Georgia due to the Warfare Activities in Ukraine (**Order**). Under the Order, from 15 July 2022, the refugees who have been previously accommodated in the hotels financed by various public institutions of Georgia, shall receive the following financial aid for the next three months:

a) a monthly financial aid in the amount of GEL 300 per family for the purposes of arranging the living conditions; and
b) a monthly financial aid in the amount of GEL 45 per person for arranging the subsistence conditions.

The refugees receiving the above financial allowance will no longer be able to continue residing in the hotels financed by public institutions of Georgia.

The refugees entering Georgia after 15 July 2022 will be provided with accommodation for a term of up to 10 calendar days, which may be extended in exceptional circumstances.

Apart from the financial aid, the Ukrainian refugees are also entitled to medical aid in accordance with Order N387 of the GoG dated 2 March 2022 (as amended), which covers the medical aid specifically. In particular, the available medical aid includes the services related to: a) Immunization; b) Tuberculosis and HIV/AIDS treatment; c) Maternal and child health, including antenatal care and newborn screening; d) Mental health; e) Management of diabetes; f) Dialysis; g) Treatment of patients with rare diseases; h) Management of the new coronavirus disease - COVID-19, including testing, vaccination, residential and inpatient treatment; i) Referral

services - emergency medical services, including childbirth and emergency immunization.

Government Establishes Minimum Requirements for Safety and Health Protection at the Workplace

On 1 July 2022, the GoG adopted Resolution N341 on Approval of the Technical Regulation on Minimum Requirements for Safety and Health Protection at the Workplace (**Technical Regulation**). The Technical Regulation does not apply to: a) Vehicles; b) Temporary and mobile workplaces; c) Mining industry; d) Fishing boats; and e) Agricultural land plots and workplaces located on the territory of the state forest, remotely from the industrial buildings and structures.

The Technical Regulation has introduced extensive requirements to govern inter alia: a) Durability and structural resistance of buildings; b) Fire safety; c) Evacuation routes and exits; d) Microclimate at closed working spaces; e) Restrooms; f) First aid rooms; g) Provision of drinking water; h) Rights of pregnant women and nursing mothers and employees with disabilities, etc.

Certain exemptions apply to the workplaces located inside the buildings which are subject to the construction permits issued prior to the enactment of the Technical Regulation.

Government Adopts the State Fire Supervision Rules

On 10 June 2022, the GoG adopted Resolution N309 on Approval of the Rule of Implementation of State Fire Supervision and Supervision of Facilities of Vital Importance (**Supervision Rules**). The Supervision Rules establish the competence and the scope of authority of the Emergency Management Service (a state sub-departmental institution under the Ministry of Internal Affairs of Georgia) to implement the state fire supervision. Supervision Rules are applicable to a wide of range of constructions and buildings including inter alia: 1) Buildings belonging to the government and municipal bodies; 2) Multi-functional buildings; 3) Clubs and entertainment-recreation centers; 4) Trade centers; 5) Shopping malls; 6) Hypermarkets; 7) Restaurants; 8) Educational institutions; 9) Medical institutions;

10) Sport arenas and complexes; 11) Family Hotels; 12) Buildings exceeding certain parameters; etc.

The Supervision Rules provide for the authority of the Emergency Management Service to conduct inspections for the purposes of supervision. The Emergency Management Service is authorized to issue the relevant reports and warnings based on the results of inspection, as well as to initiate, and conduct administrative proceedings and impose penalties and other measures, including remedial actions, for violation of the fire safety regulations.

Government Adopts the Statute of the Spatial and Urban Development Agency

On 9 June 2022, the MoESD issued Order N 1-1/249 on Approval of the Statute of the LEPL Spatial and Urban Development Agency. The Urban Development Agency has been established under the Code on Spatial Planning, Architectural and Construction Activities and its main functions include: a) Determining and implementation of the policy of spatial and urban planning; b) Regulating the use and development of territories; and c) Carrying out measures in the direction of spatial and urban planning within the scope of its competence.

Government Adopts the Compensation Requirements for Non-performance of Privatization Obligations

On 8 June 2022, GoG adopted Resolution N300 approving the Rule for Determination of Compensation Payable for Amendment or Cancellation of the Conditions of Privatization/ Transfer of Ownership of State Property (**Resolution**). Under the Resolution, which implements the Law on State Property, the GoG is entitled to claim compensation from investors if they request cancellation or amendment of the privatization conditions attached to the property acquired by way of privatization, including for the delayed fulfilment of the privatization conditions set out in the underlying privatization contracts.

The Resolution establishes the rules for calculation of applicable compensations, including compensation rates for cancellation and amendment of privatization conditions and monthly payments for delayed performance. Furthermore, the GoG is entitled to request a

compensation in an amount higher than envisaged by the Resolution if this is justified by private and public interests.

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