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BGI Law Brief

Silencing Dissent: Controversial Amendments to the Defamation Law

On 26 June, the Georgian Dream Parliament ("**GD Parliament**") passed controversial amendments to the Law on Freedom of Speech and Expression that significantly tighten defamation rules and undermine the freedom of expression. The clear purpose of these amendments is to silence criticism towards GD. Key changes include:

- i. Redefining 'defamation' to remove the requirement of demonstrated harm and shifting the burden of proof from a plaintiff to a defendant.
- Near elimination of "qualified privilege". The law used to protect persons accused of defamation, namely, when the defendant: 1) took all efforts to verify facts in good faith; 2) acted in the interest of public good; 3) had plaintiff's consent; 4) responded proportionally to prior statements directed at her/him; and 5) provided fair and accurate reporting on public matters. The new edition of the law only leaves the first ground a mistake, and only in respect to a defamation case concerning a public person (the law is silent on the qualified privilege in relation to non-public persons).
- iii. Elimination of the principle prohibiting the courts to decide against defendants solely on the grounds of defendants' refusal to reveal sources.
- iv. Introduction of a vague "public insult" clause, likely to be applied to social media speech.
- v. Shortening of the court consideration period for defamation cases from one month to 10 days.

The changes, which kicked into effect on June 27, have been subject to international criticism, as they undermine freedom of speech (including press freedom), foster self-censorship, and threaten democratic discourse in Georgia.

Rules on the Approval of Foreign Grants

On 7 July, GD government ("**GDG**") adopted Resolution N250 on the Approval of the Procedure and Conditions for Agreement with the Government of Georgia on the Issuance of Grants by a Foreign Grantor (Donor). According to the Resolution, an application on the approval of foreign grants falling under the regulation, shall be prepared in the form determined under the

Resolution and submitted to the GDG together with the grant agreement (together with anv annexes/attachments) prior to execution. In case the documents are provided materially, their electronic versions shall also be delivered. The draft grant agreement shall delineate the purpose and amount of the grant, specific direction of the use of funds, timeframe for their utilization, and key requirements imposed by the grantor on the recipient. The information on each donor and each recipient shall be disclosed. The same regulation applies for any changes/amendments to the existing grant agreements. The following categories of foreign grants shall be exempted from the above regulation:

- 1. Grants issued by international sports associations, federations, and committees.
- 2. Individual financial assistance granted for the purpose of obtaining general or higher education and conducting scientific work outside Georgia.
- 3. Grants issued under the European Union's research and innovation program "Horizon Europe", the EU program "Erasmus+", by the German Academic Exchange Service (DAAD), and under the "Creative Europe" program between Georgia and the EU.
- 4. Grant agreements concluded before 17 April 2025, except where these agreements have been amended after 16 April 2025.
- 5. Grants issued by international financial and credit institutions.

Consent to the activities in the occupied territories is also out of the scope of the above Resolution and is instead subject to the rules adopted by the government in 2010 (Decree No. 320).

The term for the review of the application by GDG shall be 1 month, which can be extended to 3 months in special cases. The decision issued on the application may be appealed in court. The Resolution is effective as of 8 July¹.

Increased Control on Foreign Nationals

On 2 July, the GD Parliament adopted an amendment to the Law on the Legal Status of Aliens and Stateless Persons, introducing Article 52², which outlines procedures for monitoring the presence and the legal status of foreign nationals in Georgia. The amendment

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¹ For further details concerning the respective amendments to the Law on Foreign Grants please see <u>BGI</u> Law Brief Dated 30 April 2025.

stipulates that for the identification of an alien staving in Georgia without legal grounds and/or for the verification of the alien's place of residence or for the search for an alien's travel document, the designated body of the Ministry of Internal Affairs ("MIA") shall be authorized to inspect the alien's place of residence or work or enter other private property based on a court order. Alternatively, the consent of a co-owner or copossessor of private property, or the employer of the work premises, shall be sufficient to conduct the inspection without a judge's order. In cases where delay could lead to the foreign national fleeing or destroying/concealing his/her travel document (imminent necessity), MIA shall be authorized to commence inspection of the residential or work premises or other private property and apply to court with a motion within 24 hours. MIA is given a wide range of coercive authorities which it will be able to implement at its discretion. The bill was processed under an expedited procedure, in two days, adopted unanimously (as virtually all other pieces of legislation of GD Parliament) and has already been sent to M. Kavelashvili for signing.

New Work Permit Requirements

On 26 June, GD Parliament adopted changes to the Law on Labor Migration and the Law on the Legal Status of Aliens and Stateless Persons. The amendments introduce a new legal framework to regulate the employment of foreign nationals in Georgia. Foreigners without permanent residency, in addition to D1 category visas and labor (or other type of) residence, must obtain a special permit before starting work or business in Georgia. The new regulation shall apply equally to foreigners working for a local employer, as well as self-employed individuals (including individual entrepreneurs). Foreigners falling under any of the below categories shall be released from the obligation to obtain such permit: (a) refugees and persons under additional or temporary protection; (b) asylum seekers; (c) employees of diplomatic missions, consulates, and international organizations; (d) accredited journalists of foreign media; (e) persons with a valid investment residence permit; and (f) persons subject to different labor arrangements under an international treaty.

The regulation shall come into effect on 1 March 2026. In this context, it should also be noted that in June GD Parliament introduced a new type of labor residence permit that can be issued to people employed in IT technologies (including the managers/representatives of IT companies) and their family members. Applicants shall be required to provide proof of annual income of no less than USD 25,000 (equivalent in GEL), as well as proof of no less than 2 years' experience in the respective field. The residence permits will initially be issued for a term of 3 years, which can be prolonged with further three-year terms (but no longer than 12 years in total). According to the Law on Georgian Citizenship,

foreigners legally residing in Georgia for 10 consecutive years are eligible to obtaining Georgian citizenship, subject to respective requirements. This regulation shall become effective on 1 September 2025.

Anonymous Witnesses Introduced in Criminal Cases

On 2 July, GD Parliament adopted amendments to Criminal Procedure Code. The amendments authorize prosecutors to decide on the anonymity of a witness participating in the criminal proceedings, in cases where such participation may purportedly pose threat to the safety of the witness. From now on, the identity of the witness may be concealed from everyone (including defense attorneys), except for the judge, the investigating body and the Personal Data Protection Service. The identification data of the witness shall be redacted in the procedural documents, the voice shall be changed, the image blurred, etc. In the context of ongoing political repressions in Georgia, these amendments mean that individuals may be sentences based on the (false) testimony of GD witnesses and have no way of proving their innocence. It should also be noted that according to media reports, use of false witnesses - sometime the same ones for various unrelated matters – has become a routine GD practice in GD courts.

GD to I<mark>nt</mark>rodu<mark>ce Tra</mark>vel Bans on (Former) Convicts

On 11 June GD initiated draft amendments to Criminal Procedure Code. The amendments *inter alia* introduce travel bans to individuals convicted of certain crimes especially economic and financial crimes—until they compensate victims for the damages caused. The travel ban period would range from 6 years (for less serious crimes) to 16 years (for particularly serious crimes).

During the ban period, the victim shall be able to obtain compensation from the property of the offender (the criminal court will be able to seize the respective property as a security), as well as from the property of close relatives of the offender, provided that such property is obtained illegally (*inter alia*, received from the offender for free or for a price significantly below the market rate).

GD officials have stated that the amendments shall have retroactive application to crimes committed prior to their adoption. Such application would be expressly unconstitutional and contrary to basic principles of Georgian law.

Cannabis Re-Criminalized

On 2 July, GD Parliament adopted an amendment to the Code of Administrative Offenses, introducing a new edition of Article 100^2 . Under the amendment, materially increased fines are introduced for the illegal cultivation, storage, transfer (without material benefit), realization, transportation, *etc.* of small amount of plant

containing narcotic substances. The most common plant subject to the regulation is cannabis, with respect to which the dried substance weighing up to 5 grams and the unprocessed substance weighing up to 10 grams is considered a small amount. While the existing regulation envisages a fine in the amount of GEL 500 and, in special cases, detention for up to 15 days, the new regulation shall set a fine from GEL 500 to GEL 5,000, or detention for up to 60 days in case of commission of the above violation by the individual for the first time. In the case of legal entities, the fine from GEL 1,000 to GEL 10,000 is determined. For the repeated violation, the bill envisages a fine of up to GEL 6,000 or detention from 10 up to 60 days. In the case of a legal entity, the fine of up to GEL 12,000 is determined.

Considering the ongoing political processes in Georgia, experts have highlighted the risk of the new law, effective as of July 3, being applied in a repressive way, to frame and imprison the protesting youth. This Law Brief is for general information purposes only. It does not constitute and is not intended to be relied upon as legal advice. BGI shall not be responsible for any loss in the event this update is relied upon without seeking our professional advice first.

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