

NEW LAW ON LABOR SAFETY

The absence of precise regulation of safety at workplace remained as a red flag in Georgian legislation over the decades. The legislation of Georgia did not ensure provision of adequate protection to employees working on hazardous jobs leading to many unfortunate accidents on the sites. New Law on Safety of Labor aims to integrate the European standards in Georgian reality and sanction the violation of basic safety rules.

According to the new law, the entities engaged in hazardous activity or with the increased danger at the workplace, shall undergo mandatory registration at the Registry of Economic Activities. The list of such businesses shall be issued by the Government of Georgia. Training the employees on how to comply with basic safety standards as well as providing them with health insurance packages are few of the obligations imposed on employers under the new law. Employers shall maintain a qualified work safety specialists to monitor and control compliance with the safety standards at the workplace and report the casualties to the regulator. The Ministry of Labor, Health and Social Affairs of Georgia shall supervise and inspect the execution of the new safety regulations.

Violation of the law is sanctioned with warning, suspension of work proceedings and/or penalties of up to GEL 50 000. The principal provisions of the law are already set into effect, however, the law shall become fully effective gradually: the liability measures and certain obligations (including obligation to provide insurance to the employees) shall become effective from August 2018 and January 2019, respectively.

AMENDMENTS TO THE CIVIL PROCEDURES CODE OF GEORGIA AIMING AT INCREASING THE EFFICIENCY

As widely discussed, long timelines and thus increased legal costs of litigation in Georgia create dissatisfaction of the beneficiaries of the court system, often pushing them to reach an out-of-court settlements or even refrain from choosing the court as dispute resolution mechanism. On 29 March 2018, several amendments were implemented to the Civil Procedures Code of Georgia aiming at increasing the time and cost efficiency of the judiciary.

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According to the amendments, any evidence can be submitted by the parties at the first (preparation) phase of the proceedings. This is to speed up the trial by eliminating discussions as to the relevance and admissibility of the evidence presented by the parties. Moreover, appealing the ruling on security measures no longer adjourns the pending trial and such appeal is reviewed by a higher instance court in parallel.

Further, the minimum value of the dispute that may be brought to the court of appeals has been increased up to GEL 2 000. Due to the same rationale of lightening the workload of the general judges of the city courts and thereby increasing the quality of their input on high-profile cases, the disputes with the value of GEL 3 000-5 000 are now subjected to the jurisdiction of the magistrate judges. Additionally, prior to the amendments, the disputes with the value above GEL 10 000 were reviewed in the court of appeals by the panel of three judges, whereas, now, the property disputes with the value up to GEL 20 000 shall be reviewed unilaterally by a single judge.

Lastly, in order to minimize the number of cases annually handled by Tbilisi City Court and distribute the caseload evenly between first instance courts of Georgia, the disputes related to the loan agreements executed (including electronically) with banking institutions, microfinance organizations and non-banking deposit institutions shall be subject to the jurisdiction of the court of the residence of the respondent (usually, the borrower). Also, the appeal on such cases may be reviewed by a judge, upon its discretion, without oral hearing.

DISCUSSING CHANGES TO THE RESIDENCY POLICY

On 10 May 2018, the Government of Georgia announced a new package of legislative amendments pertaining to issuance of Georgian residency. The amendments aim at preventing illegal migration, closing loopholes in current legislation and eliminating fraudulent practices by foreign individuals when obtaining Georgian residency. Among other changes, request for asylum will no longer be considered as a valid basis for granting temporary residence permit, obtaining permanent residence permit will be tied to consecutive stay in Georgia for at least 10 years (instead of 6), the term for temporary residence permit shall be extended from 6 years up to 12 years, value of investments in Georgia as a prerequisite for obtaining residency will increase. The ball is in the court of the Parliament of Georgia to further shape up the proposed amendments. Stay tuned for more updates on this law.

RECENT SUCCESS OF BLC TEAM

BLC is proud to announce another successful outcome in the largest divorce case ever reviewed in the courts of Georgia. Our team represented Mr. Temur Ugulava, a prominent businessman operating several hotel chains and casinos in Georgia, in divorce case. The case involved complex issues related to distribution of assets between the spouses. BLC assisted the parties to bring a rigorous court dispute to an amicable settlement and resolve the case in a time and cost efficient manner.

