

EY TAX AND LAW BRIEF

November 2020

Program for Promoting Foreign Investment Projects

- ▶ On 30 November 2020, the Ordinance No. 717 of the Government of Georgia was published on the website of the Legislative Herald of Georgia.
- ▶ The program for promoting foreign investment projects was approved with the Ordinance.
- ▶ Among other issues, the Program determines:
 - ✓ Directions and criteria of the Program.
 - ✓ Authorities of LEPL Enterprise Georgia in terms of grant issuance.
 - ✓ The tools for the Program implementation.
- ▶ Among other aspects, the program prescribed with the Ordinance, foresees issuance to the companies by the Agency (LEPL Enterprise Georgia) of such targeted cash resources, which are not considered to be grants under the Law of Georgia on Grants.
- ▶ The Ordinance became effective from 30 November 2020.

Source and date of publication: the Legislative Herald of Georgia; 30/11/2020.

Investment Fund Liquidation Rule Approved

- ▶ On 12 November 2020, the Order No. 198/04 of the President of the National Bank of Georgia on Approval of the Rule for Investment Fund Liquidation was published on the website of the Legislative Herald of Georgia.
- ▶ The Rule approved with the Order applies to:
 - ✓ cancellation of authorization or registration of the investment fund by the National Bank.
 - ✓ upon expiration of the term of activities of subfund of the investment fund or
 - ✓ other suspension of activities of the subfund.

- ▶ Along with the other issues, the Order determines the following:
 - ✓ Rule of assigning liquidator, his/her rights and obligations.
 - ✓ Creditor satisfaction rule.
 - ✓ Procedures of holding public auction.
 - ✓ Authorities of the National Bank.
- ▶ The Order became effective from 12 November 2020.

Source and date of publication: the Legislative Herald of Georgia; 12/11/2020.

Hard, Harmful and Dangerous Works for the Persons under the Age of 18

- ▶ On 1 December 2020, the Order No. 01-126/(n) of the Minister of Internally Displaced Persons from the Occupied Territories, Labor, Health and Social Affairs of Georgia was published on the website of the Legislative Herald of Georgia.
- ▶ The list of hard, harmful and dangerous works for the persons under the age of 18 was approved and the criteria for determination of such works was determined with the Order.
- ▶ Along with other issues, the Order also established recommendations and determined obligations of an employer in regard to the labor, the rule of medical examination and teaching of juveniles.
- ▶ The Order became effective from 1 December 2020.

Source and date of publication: the Legislative Herald of Georgia; 01/12/2020.

Expected Amendments to the Law on the Legal Status of Aliens and Stateless Persons

- ▶ On 13 November 2020, the Draft Law on Amendments to the Law of Georgia on the Legal Status of Aliens and Stateless Persons was published on the website of the Parliament of Georgia.
- ▶ Among other issues, the Draft Law amends grounds for granting permanent residence permit and its validity terms.
- ▶ The Draft Law foresees the opportunity for extending term of the temporary residence permit if requested by an alien, instead of issuing permanent residence permit.
- ▶ The Draft Law also foresees amendment of the grounds for suspension of the validity term of the investment residence permit.
- ▶ According to the Draft Law, it will become effective gradually within 30 days from publication.

Source and date of publication: the website of the Parliament of Georgia; 13/11/2020.

Power Supply Safety Rules

- ▶ On 2 December 2020, the Order No. 1-1/520 of the Minister of Economy and Sustainable Development of Georgia was published on the website of the Legislative Herald of Georgia.
- ▶ Power supply safety rules were approved with the Order.
- ▶ 3 types of methodologies were approved with the Order:
 - ✓ Methodology for identifying and assessing electricity safety risks and crisis scenarios.
 - ✓ Methodology for seasonal and short-term adequacy assessment.
 - ✓ Methodology for mid-term and long-term adequacy assessment.
- ▶ The Order will become effective gradually and enter full force from 2 December 2022.

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