



ნოდია, ურუმაშვილი და პარტნიორები
NODIA, URUMASHVILI & PARTNERS

COVID-19

Legal Overview of the State of Emergency in Georgia


Nodia, Urumashvili & Partners



**April 3rd, 2020
Tbilisi**

Opinions and assessments contained in this document, as relevant to April 2nd, 2020 are of informational purposes only, and do not represent a legal advice in any form whatsoever.



Please note, that opinions and assessments contained in this document, as relevant to April 2nd, 2020 are of informational purposes only and do not represent a legal advice in any form whatsoever. In case of questions or need of legal assistance, do not hesitate to contact us at:

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Table of Content

I. Main legal impacts of the State of Emergency	1
1. Restriction to the freedom of movement and suspension of passenger travel.....	2
2. Restriction of the right of ownership.....	3
3. Restriction of the educational process.....	4
4. Restriction of cultural and sport events	4
5. Restriction of economic freedom	4
6. Restriction of assembly/gathering in private and public spaces.....	7
7. Administrative proceedings	8
8. Judicial proceedings.....	9
II. Legal considerations related to Force Majeure	10
1. Does the spread of Coronavirus (COVID 19) correspond to a Force Majeure event?	10
1. What are the legal consequences if the spread of Coronavirus (COVID 19) is deemed as a Force Majeure event?.....	11
III. Impact of the State of Emergency and the pandemic on labor relations	13
Restrictions related to work place/office work.....	13
1. Working remotely.....	13
2. Suspension of employment relations	13
3. Using a paid leave	14
4. Termination of employment	14
IV. Annex №1 - The list of additional companies whose activities are not suspended by the Government of Georgia	16
V. Annex №2 - The list of activities, that are not suspended or are authorized to conduct activities remotely	17
VI. Annex №3 - Economic activities and facilities/business entities carrying out economic activities, that are not restricted during the state of emergency	18
VII. Relevant legislative acts and resources	19



I. Main legal impacts of the State of Emergency

- **What is the State of Emergency?** – Its a temporary measure, declared in cases established by the legislation of Georgia, and restricting certain constitutional rights for the purpose of ensuring the safety and security of citizens of Georgia.
- **For how long will the State of Emergency remain in force and to which territories does it apply?** - It became effective on March 21st, 2020 and shall remain in force till April 21st, 2020 throughout the entire territory of Georgia.
- **Which constitutional rights are restricted?** – Rights ensured by Articles 13, 14, 15, 18, 19, 21 and 26 of the Constitution of Georgia are restricted, in particular:
 - Right to freedom;
 - Freedom of movement.
 - Right to privacy of personal and family life, personal space and communication;
 - Right to fair administrative proceedings, accessibility to public information, informational self-determination and right to constitutional remedies;
 - Right of ownership;
 - Freedom of assembly;
 - Freedom of labor, freedom of professional unions; freedom to strike and freedom of entrepreneurship.
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- **Applicability of the State of Emergency?** - It applies to all natural persons and legal entities.
- **Legal consequences for the violation of the State of Emergency restrictions?**
 - **Administrative liability** – monetary penalty for natural persons in the amount of 3000 GEL and in the amount of 15000 GEL for legal entities.
 - **Criminal liability** – Repeated violation by the person who had been subject to the administrative penalty, entails a criminal liability, namely, imprisonment up to 3 years in case of natural persons and in case of legal entities sanctions may range from a penalty, deprivation of the right to carry out activities up to liquidation together with a penalty.



What are the main restrictions applicable to natural persons and legal entities during the State of Emergency?

1. Restrictions to the freedom of movement and suspension of passenger travel

Curfew – As of March 31st, 2020 and for the period the State of Emergency, movement of people by foot or by transport is restricted on daily basis from 21:00 till 06:00. However, the restriction does not apply to international carriage of goods and other exempted activities as determined by the Government Decree №181. In addition, during the State of Emergency, natural persons shall always carry a document/proof of identity while traveling or moving in any form outside their living space. Furthermore, irrespective of the time of the day, natural persons being 70 or more years of age are restricted from leaving home, but certain exemptions do apply.

International Travel – International air, land and marine passenger travel were suspended for the period of the State of Emergency. Direct international regular passenger flights were further suspended. In addition, all persons, except for Georgian citizens, their family members and other persons, as envisaged by the Order №164 of the Government of Georgia of January 28th, 2020, are restricted from entering a territory of Georgia both by land and air.

However, above restrictions do not apply to:

- Flights for the purpose of transporting passengers from Georgia to other country, provided that the aircraft arrives from foreign countries to Georgia having no passengers on board;
- Flights for the purpose of transporting cargo, as well as aviation activities related to governmental, military, outpatient, emergency, technical landing, search & rescue flights;
- Flight performed by a helicopter being part of the vessel of the military-marine unit under the operative subordination of the Allied Maritime Command of NATO, sailing under the flag of NATO for training purposes, within the territorial sea of Georgia.

Domestic travel – the following is prohibited/suspended during the State of Emergency:

- Movement by transport with more than 3 persons (including the driver) is prohibited. Passengers must sit in the back seat, behind the driver, if the interior of the transport allows it and recommendations are complied with (issued by the Ministry of IDPs from the Occupied Territories, Labor, Health and Social Affairs of Georgia (please find in Relevant Legal Act and Resources).
- Transportation of passengers by railway transport, except the service railway transportation, which is used for movement/transportation of employees from place



- of residence to the workplace and vice versa, according to the schedule developed by JSC "Georgian Railway" for the purpose of uninterrupted cargo transportation;
- Transportation of passengers by M2 and M3 types of motor vehicles between cities and/or within the municipal borders;
- Public transport, including subway and cableway;
- Regular air passenger travel within the country. Applications for non-regular (charter) flights are individually reviewed by LEPL Civil Aviation Agency in agreement with the Ministry of Economy and Sustainable Development of Georgia;

Bolnisi and Marneuli Municipalities

- It is prohibited to enter and leave the territory of municipalities, except for persons registered and residing in those territories;
- Right to free movement is prohibited. This restriction does not apply to the movement for the purpose of medical care, purchase of food and pharmaceutical products. as well as for the purpose of carrying out permitted economic activities.
- Movement of passenger transport is prohibited throughout the territory of municipalities. Exemptions are set by the decision of the Ministry of Internal Affairs.

2. Restriction of the right of ownership

By the Decree of the President of Georgia, the Government of Georgia may restrict the right of ownership and use the property and material assets of natural persons and legal entities, in case of necessity, for quarantine, isolation and medical purposes and in accordance with the process approved by the government.

However, as of this date, as per the decision of the Government of Georgia, below listed industries are required to perform certain obligations upon the request of the Ministry of Economy and Sustainable Development of Georgia.

- a) Hotels and other means of accommodation.
- b) Air transportation/carriage service;
- c) Land transportation/carriage.

Although, the Decree of the Government of Georgia does not directly envisage relevant compensation for restriction of ownership, the Law of Georgia "On the State of Emergency" empowers highest bodies of the executive power of Georgia, to use the property and material assets owned by legal entities and natural persons for the purpose of prevention and elimination of effects of the state of emergency, and only with relevant compensation (payable after the end of the State of Emergency);



3. Restriction of the educational process

- **Academic process** – based on the Decree №205 of the Government of Georgia of March 31st, 2020, both primary and higher educational institutions shall provide education in a remote form, effective as of March 30th, 2020 and during the State of Emergency.
- **Prohibition of events** - all forms of trainings, conferences and seminars are prohibited except for a remote form.

4. Restriction of cultural and sport events

Cultural and sport events are permitted in a remote form only. The following is fully prohibited:

- All types of cultural events, both indoors and outdoors, including concerts, theatre, temporary and permanent exhibitions, rehearsals, tours, masterclasses, trainings and conferences;
- Mass sport events, including competitions, training/coaching process/gathering, both indoors and outdoors, all types of trainings, seminars and/or conferences related to sport.

5. Restriction of economic freedom

As of March 31st, 2020, 08:00, a range of economic activities are prohibited. However, based on the Decree of the Government of Georgia №211, which retroactively applies as of March 31st, 2020, the list of activities/persons, permitted to engage in economic activity, has been broadened. Following are exemptions allow to conduct economic activity without suspension or other restrictions:

- a) List of specific legal entities, which are exempt from the restrictions, as approved by the Government of Georgia (see Annex N1);
- b) In addition, the Government of Georgia additionally approved the list of those economic activities, which are exempt from restrictions. However, in number of cases, such economic activities are permitted to be conducted only by remote means (see Annex N2) and only in case of critical necessity with not more than 5 persons gathering in the office/workplace;
- c) Furthermore, a list of permitted economic activities, legal entities involved in such activities as well as sites engaged in economic activities is approved (see Annex N3);
- d) Lastly, Article 7 of the Decree of the Government of Georgia, in addition to the above described, provides for the list of general economic activities, which are exempt from restrictions, as follows:



- Medical facilities;
- Food/animal food, animal, animal and plant products, veterinarian products, pesticides and agrochemicals, retail sale of seed and planting materials, as well as production, storage, wholesale trade and distribution, production of food product packaging materials/TAR;
- Mills, bakeries of bread/pastry, milk processing;
- Production/transfer/distribution/supply of electricity, natural gas, water; supply of petrol, diesel, liquid gas, as well as telecommunications and postal services, services related to waste management;
- Activities of commercial banks;
- Providers of payment services and their agents, providing service through a self-service kiosk;
- Operators of payment systems;
- Activities required for non-interrupted operation of bank machines, self-service kiosks and post-terminals;
- Microfinance organisations;
- Supply and sale of bank-financial products/services by remote means;
- Production/distribution/sale of medical and pharmaceutical products;
- Agricultural works and animal husbandry;
- Taxi service provided by M1 category vehicles;
- Delivery service of food, groceries and medical/pharmaceutical products;
- Extraction and processing of oil and gas;
- Private security service;
- Attorney at law service;
- Auto-technical inspection services;
- News kiosks;
- Any economic activity conducted by a remote means*, only from home (without leaving home).

*** Activities conducted by remote means** – It is noteworthy, that the Decree №181 of the Government of Georgia sets general exemptions, without specifying types of activities, and allows any economic activity if its conducted remotely, which in its turn enables representatives of independent professions to be engaged in economic activities. In addition, based on Annex N2 of the Decree №181, certain activities are permitted only in a remote form, such as activities of advertising agencies, mediation, arbitration, trade in computers, legal and tax consulting, audit, IT and others. However, the Decree №181 provides that all permitted activities, e.g. per Annex N2 and activities conducted remotely under the general exemptions, may be carried out from the office or other work-place, by gathering of not more than 5 persons and only in case of critical necessity.

*** E-commerce** – under general exemptions (permitting all economic activities conducted remotely) and specific economic activities listed in Annex N2, the Government’s Decree on



the one hand permits e-commerce, but on the other hand restricts online delivery of products. Clause 7.1 (o) of the Decree №181 permits: “*product delivery service (“delivery service”) of food products, grocery and medicinal/pharmaceutical products.*” Other products sold via e-commerce are not permitted to be delivered but can be traded remotely. Therefore, although the Decree allows e-commerce and sale of products by remote means, such sale of media files or provision of services electronically etc., it restricts physical delivery of products except for food, grocery and medicinal/pharmaceutical products.

* **Construction/real estate sector** – a special regime applies to this sector under Annex N2 of the Decree №181 of the Government of Georgia, which permits construction of buildings, civil construction, specialized construction works, production and wholesale trade in construction materials only by private legal entities determined by the Government of Georgia;

* Please note, that the Mayor of Tbilisi provided companies engaged in construction within Tbilisi with a possibility to apply and request exemption. Applications may be submitted at the below web-site. The Mayor further submits the applicant list to the Government of Georgia.

- <https://my.municipal.gov.ge/№!/guest/service-select>

For companies engaged in construction outside of the territory of Tbilisi, you may request authorization to continue your activities via below web-site

- <http://www.moesd.gov.ge/>

Exceptions – please also note, that in case your activities are suspended, regardless of the sector, you may apply to the Ministry of Economy and Sustainable Development via a below link and request an exemption via application : <http://www.moesd.gov.ge/>



*On the screenshot - 1) For construction goods and wholesale; 2) Construction 3) Other Entrepreneurs

* **Restaurants, public catering, catering/canteens in organizations/businesses** are permitted to operate only with delivery service or pick-up service by transport (“drive”),



without consumer access to the point of sale. However, shops selling wine and other alcoholic grape products, spirits and beer are restricted to operate.

Regulation of prices

- **Basic-need products** – The goal of the State Program for Maintenance of Prices on the Basic Need Products is to maintain existing retail prices on the basic need grocery products, regardless of the exchange rate fluctuation. For beneficiaries, which are importers of products, the program envisages to subsidize a negative effect on potential or actual costs in foreign currency (USD and EUR) caused by currency fluctuation, effective from March 15th, 2020 through May 15th, 2020.
- **Medications, medical products and services** – Prices of such products are not yet regulated by the Government of Georgia.

Complying to recommendations - all permitted economic activities, irrespective of form and type, must be carried out in accordance with recommendations issued by the Ministry of IDPs from the Occupied Territories, Labor, Health and Social Affairs of Georgia.

***Please see recommendations in the section of relevant legislative acts and statements.**

Sanitary-hygienic rules - the special sanitary-hygienic rules adopted by the Decree №181 of the Government of Georgia must be observed by:

- Facilities producing/processing grocery items;
- Facilities delivering grocery items to consumers using a delivery service;
- Facilities delivering products to consumers in retail/wholesale trade locations.

6. Restriction of assembly/gathering in private and public spaces

Restriction of assembly/gathering – Assembly of natural persons in a public space, gathering of more than 3 persons is restricted. Public space is defined as any indoor or outdoor space which is not a place used for residential purposes. This restriction does not apply in cases of permitted economic activities, medical facilities, public facilities, defense forces, special penitentiary facilities, law enforcement bodies as well as infrastructure projects that are agreed with the Government.

Restriction of social events – Social events involving gathering of more than 3 people are prohibited (the decree contains examples - funeral, wedding and similar).

7



7. Administrative proceedings

On the basis of the Decree of the President of Georgia, the Government of Georgia was granted a right to regulate public services and administrative proceedings in a different manner compared to the existing legislation of Georgia.

- Following has been suspended:
 - Legal deadlines established for filing and review of administrative appeals;
 - Legal deadlines established for issuance of public and personal information.
- Amendment (02/04/2020, №204) to the Decree №181 of the Government of Georgia establishes, that tax/customs bodies responsible for hearing cases within the Ministry of Finance of Georgia, may conduct hearings electronically, without the presence of the applicant, if the substance of the case may be established by provided documents.
- For the period of the State of Emergency, the Minister of Justice of Georgia had been granted a power to define rules of functioning of following administrative bodies:
 - Special Penitentiary Service;
 - Notary Chamber;
 - National Archive.

Amendment (30/03/2020, N204) to the Decree №181 of the Government of Georgia broadens the above list and as the result, functioning of following administrative bodies may be expected to be regulated otherwise:

- Agency of the Development of Public Services;
 - National Agency of Public Registry;
 - House of Justice;
 - Private Enforcement;
 - Other bodies under the Ministry of Justice.
- By the Order (31/03/2020, N511) of the Minister of Justice of Georgia, rules have been adopted regulating activity of the Notary Chamber and notary services, which amongst others, includes a list of temporary notary offices, as well as rules of their operation.
 - A Public Inspector was granted certain powers, including a right to suspend statutes of limitation applicable to the review process of offences and imposition of penalties deriving from Law of Georgia "On Personal Data Protection". The right extends to



suspension of legal timeframes applicable to enforcement of penalties and appealing decisions on administrative offence cases.

- The Minister of Internal Affairs of Georgia was granted a power to regulate, in different manner, certain services and associated state fees within the system of the Ministry of Internal Affairs of Georgia.
- On the basis of the Amendment (26/03/2020 №192) to the Decree №181 of the Government of Georgia, as of the date and during the effective term of the State of Emergency, payment deadlines for penalties and interest imposed for administrative offences, under Chapter X of the Code of Administrative Offences of Georgia, have been suspended.
- Deadlines for administrative proceedings related to authorization and accreditation, professional training and development, including those of public servant, are suspended unless conducting such activities may not be done remotely, through a modern means of electronic communication.
- Public bodies, natural persons and legal entities are permitted to make electronic signatures and use electronic documents in a manner different from the existing requirements, as set by the Law of Georgia “On Electronic Document and Reliable Electronic Services”.
- On the basis of the Amendment (26/03/2020 №192) to the Decree №181 of the Government of Georgia, active administrative proceedings, related to scoping and environmental clearances, shall be conducted without public review. Participating in administrative proceedings, including submission of statements and remarks, shall be ensured through written and/or electronic means.
- On the basis of the Amendment (27/03/2020 №201) to the Decree №181 of the Government of Georgia, the deadline for passing a periodical technical inspection of vehicles has been suspended until the end of the State of Emergency, if such deadlines coincide with the time period of the State of Emergency.

8. Judicial proceedings

Court proceedings by remote means – The Decree №1 of the President of Georgia provides possibility to hold only criminal court hearings through electronic means of communication. In addition, persons participating in such hearings may not refuse to participate based on the desire to attend physically.



Limitation periods – According to Article 132 (b) of the Civil Code of Georgia, the limitation period will be suspended if submission of claim is hindered by circumstances caused by force majeure. Please note, that the State of Emergency does not automatically lead to a suspension of the limitation period. For each case, together with other preconditions, it should be evaluated, whether a person was deprived from opportunity to submit a claim due to circumstances caused by the State of Emergency.

Restoration of legal timeframes applicable to civil procedural actions – According to Article 65 of the Code of Civil Procedure of Georgia, legal timeframes set for civil procedural actions may be restored, unless otherwise defined by law, if the court rules that the failure to perform a procedural action was due to a valid reason. As per the Code of Civil Procedure, a valid reason is defined as inability to perform a procedural action as a result of illness, death of a close relative or due to other extraordinary objective circumstances. Moreover, the court may not restore legal timeframes, which are directly prohibited by the legislation, including but not limited to the filing timeframes in the Court of Appeals and the Supreme Court.

Adjournment of hearings – In cases, which are not subject to limited timeframes for hearings, any party may file a motion requesting adjournment of the hearing by a remote (http://court.ge/geo_courts) electronic means or postage. Please note, that mobile phone numbers of assistants to judges have been published on the court's website.

II. Legal considerations related to force majeure

1. Does the spread of Coronavirus (COVID 19) correspond to a force majeure event?

*** Note:** Please note, that the declaration of the State of Emergency throughout the entire territory of Georgia based on the Decree №1 of the President of Georgia dated March 21, 2020 and consequent introduction of various restrictions by the Decree №. 181 of the Government of Georgia, „does not *per se* imply that a force majeure event had occurred and that a relevant natural or legal person would be relieved from performing obligations deriving from contract and/or the liability due to non-performance. Each case requires tailor made approach and proper evaluation by taking into account, amongst others, the business sector, subject of the contract, terms and conditions, parties and other important factors.

Notwithstanding the above, the following may be considered while determining whether Coronavirus (COVID 19) corresponds to a force majeure event in your case:

- **Had such event occurred which was unavoidable and beyond the parties' control?**



- It should be assessed, whether the spread of Coronavirus (COVID 19) and the deriving restrictions cause such factual or legal event that was impossible for the parties to foresee and was beyond their control. For example, natural disasters, events of October 2006, when the sea, air, motor vehicle and railway transportation from Russia to Georgia was banned by the Russian Federation, the Russian-Georgian War of 2008 and etc. were all considered as force majeure events as per existing court practice. However, Coronavirus (COVID 19), as a pandemic which triggered introduction of certain restrictions in Georgia, is highly likely to be considered as a circumstance which may not have been foreseen or avoided by certain persons and legal entities .
- **Is the party to the contract able to perform its obligations considering restrictions related to Coronavirus (COVID 19)?**
 - It should be determined, whether the failure to perform by the party is caused by restrictions introduced due to the spread of Coronavirus (COVID 19), i.e. whether such restrictions directly influence the performance. For example, if the subject of the contract is the permitted service, which may be supplied/delivered by a remote, electronic means , then a mere reference to the spread of Coronavirus (COVID 19), as the ground for non-performance, may not be sufficient for proving the event of force majeure. Please note, in such cases the burden of proof would be on the non-performing party's side.
- **Was the occurrence of event nonforeseeable and beyond the parties' control?**
 - It should be objectively determined, as to what extent parties could not have foreseen the occurrence of such event and whether any of the parties have considered assuming risk for contract performance, despite hindrances which may have been caused by such event. For example, if the contract was entered into after the spread of Coronavirus (COVID 19) and deriving restrictions became known to the parties, then such party knowingly assumes the risk to perform under the given circumstances, which in its turn may restrict the party from relying on the force majeure event.

1. What are the legal consequences if the spread of Coronavirus (COVID 19) is deemed as a Force Majeure event?

- **Contractual:** In practice, majority of written agreements set out rights and obligations of parties which may be invoked after the occurrence of the force majeure event, as well as the procedure to be followed by the party wishing to invoke such rights. Some agreements set a certain time period for the party to notify the other party on the use of such right. Accordingly, in each case, it is important to evaluate the rights and obligations and the procedure agreed between the parties under the contract and to ensure that such procedure is duly followed.



- **Non-contractual:** In case the contract does not regulate a force majeure or partially governs such events, the rights granted by the law shall apply, as follows:

- **Relief from liability for delayed performance may be claimed until the end of the force majeure** – It is important to consider, that the occurrence of force majeure event does not automatically, nor fully exempt a party from performance of obligations under the contract. However, such event may grant the party a right to claim exemption from liability for non-performance for the period of force majeure (for example, a waiver to claim penalty for delayed performance). Therefore, it is important that the party notifies the other party thereof and negotiation takes place.
- **Modification/adjustment of contract to changed circumstances may be claimed** – a party may be granted a right to request adjustment of contract to changed circumstances (for example, delay of performance, amendment to certain terms and etc.); However, the party shall prove that: a) circumstances had changed after the contract was entered into between the parties; b) significant hindrance to the performance had been caused by changed circumstances c) the changed circumstance is beyond the party's control and was impossible for the parties to foresee it prior to concluding a contract; d) any modification/adjustment of the terms and conditions of the contract must not be based on the risk assumed by only one of the parties;

*Note – as per the Order N11 of the Chairman of the Agency of Public Procurement dated April 1st, 2020, amendment was made to Order N12 “On Rules of Electronic Tender Process” of the Chairman of the Agency of Public Procurement dated June 14th, 2017, which provides for the adjustment of contract as prescribed by Article 398 of the Civil Code of Georgia, by maximum of 10% increase of the initial contract value. In case of procurement contracts on construction works, considering the increased costs of construction materials, it is permitted to increase the contract value in accordance with the rules established by the Decree N619 of the Government of Georgia “On Various Activities Supporting Infrastructural Projects” of March 31st, 2020. However, this does not apply to state procurement of oil and gas products.

- **Termination of contract** – If restrictions imposed for the elimination of the spread of Coronavirus (COVID 19) make it impossible to perform a contract, even temporarily, and/or despite attempts the parties failed to agree on the modification/adjustment of contract to changed circumstances, or the timely performance was in best interests of the party and now the party has lost such interest to the delayed performance (supported by objective reasons), cancellation of contract may be claimed, provided that other circumstances preventing such cancellation would not exist.



III. Impact of the State of Emergency and the pandemic on labor relations

Restrictions related to work place/office work

In organizations, activities of which had not been suspended, depending on specifics, it is permitted to gather not more than 3 persons, and in certain cases more, provided that at least 2m social distancing is observed and recommendations issued by the Ministry of IDPs from the Occupied Territories, Labor, Health and Social Affairs of Georgia are followed.

1. Working remotely

As per the Labor Code of Georgia, employment relation is defined as the performance of paid labor by the employee for the benefit of the employer, in accordance with the terms and conditions of the employment agreement. Considering current developments, switching to remote work mode does not contradict the definition of employment relations as per the law and does not automatically influence the remuneration terms. Therefore:

- During the period of remote work, the standard working and break hours do not change;
- During remote work, the employee must be available to the company management and clients through phone contact and/or email during working hours;
- In case the employee is unable to perform due to reasons beyond his/her control, such employee must notify the management thereof as soon as practicable;
- For the period of the State of Emergency, the employer is entitled, in case of need and without the consent of the employee, to temporarily transfer the employee to another work which had not been agreed under the employment agreement;
- In case the remote work may not be performed and/or other circumstances occur, following regimes may be considered:

2. Suspension of employment relations

- **Suspension of employment relations due temporary inability to perform job duties** – temporary inability to perform job duties may be claimed for the period not exceeding consecutive 40 calendar days or for total period not exceeding 60 calendar days within a 6 months period. A medical document proving sick leave may be issued in case of disability caused by a disease or mutilation, in case of care after a sick family member as well as for the **period of quarantine**.



- **Quarantine** – As per the legislation of Georgia, quarantine is defined as antiepidemic and preventive measures for the purpose of prevention or avoidance of diseases from the territory of the country or certain facilities, which are carried out in the infected regions, sea ports, airports, railway and motor vehicle stations, on vehicles and implies isolation and ban on any contact with diseased persons and persons having contact with the diseased, infected cargo and containers.

A document proving sick leave is issued by the Ministry of IDPs from the Occupied Territories, Labor, Health and Social Affairs of Georgia. Such document is the basis for payment of salary to the employee and therefore, working days during which the employee was absent due to the quarantine and self-isolation shall be fully paid for.

For obtaining the above mentioned document, the employee shall apply to the Ministry of IDPs from the Occupied Territories, Labor, Health and Social Affairs of Georgia at: info@moh.gov.ge. Based on the sick leave document issued for the period of temporary inability to perform job duties, remuneration shall be paid to the employee, which is calculated on the basis of the full salary as agreed under by the employment agreement.

3. Using a paid leave

Based on the mutual agreement between the employer and the employee, it is recommended to broaden the access to a paid leave, by changing the leave schedule (if any) and/or extension of the paid leave period.

If due to imposed restrictions, business specifics and difficult economic environment, suspension of labor relations is not possible, following options may be considered:

- Amending the work schedule by a written agreement between the employee and the employer; and/or;
- Amending of the monthly remuneration, by a written agreement between the employee and the employer;
- Transition to remuneration for actual time spent for performed work, based on the written agreement between the employee and the employer. In such case, the employer must clearly define for the employee the hourly remuneration rate and work schedule.

4. Termination of employment



Please note, that based on applicable legislation and court practice, as well as considering business specifics and nature of existing circumstances, termination of employment should be considered only in case of extreme circumstances.

The Labor Code of Georgia defines legal grounds for termination of employment., Termination of employment on any other grounds is not permitted.

Possible actual grounds during the State of Emergency and related circumstances to be considered, may be as follows:

- **Economic circumstances, technological or organizational changes, which create the need to reduce the workforce** – taking into account the existing circumstances, such ground may be relied upon by organizations activities of which had been suspended by the Government Decree and at the same time, it is impossible to place employees in a remote work mode, and/or by such organizations economic standing of which had been directly impacted by the State of Emergency.
- **Long-term employment inability** – if the inability to perform job duties exceeds 40 consequent calendar days or the total term exceeds 60 days within a 6 months period, and the employee had used his/her leave.



IV. Annex №1 - The list of additional companies whose activities are not suspended by the Government of Georgia

I/N:	Name of the Entity	I/N:	Name of the Entity
230868120	Saknakshiri LLC	204995176	JSC Georgian State Electrosystem
225358341	JSC RMG Copper	205170036	JSC Electricity System Commercial Operator
225359947	RMG Gold LLC	208205360	Georgian Airways LLC
415599258	GM 29 LLC	406178835	Myway Airlines Co LTD
404519794	JSC Rustavi Azot	205150352	Metro Service + LLC
216315057	JSC Caucasian PET Company	206203491	TAV Urban Georgia LLC
236034830	JSC Mina	208144051	Sakaeronavigatsia LLC
230866435	HeidelbergCement Georgia LLC	404389693	United Airports of Georgia LLC ბ
404956286	Georgian Cement Company LLC	204892170	Black Sea Terminal LLC
205181532	Knauf Gips Tbilisi LLC	215080999	JSC Corporation Poti Sea Port
215147874	Chiaturamanganum Georgia LLC	215120223	B&P LLC
230085797	Georgian Manganese LLC	245383678	Batumi Sea Port Ltd
404504327	RUSALLOYS Ltd	245432544	Batumi Oil Terminal Ltd
216425919	GeoSteel LLC	404386151	Transford LLC
402114396	Ambicon Steels LLC	416334149	Manganum Logistic LLC
404411908	Rustavi Steel LLC	204574503	Gianti Logistics LLC
415083411	Moulds and Metals Georgia LLC	205040926	EISA LLC
237079040	Imerys Bentonite Georgia LLC	205276681	MSC Georgia LLC
437062214	Askangel Group LLC	215124498	Georgian Trans Expedition - Poti Ltd
405143786	Askangel Aliance LLC	402020022	GR Transit LLC
406184926	Askangel Bentonite LLC	415082145	GNS Georgia LLC
200002068	JSC Elmavalmshenebeli	404553666	EcoService Group LLC
216406271	Carriage Building Company LLC	204559361	TBC Pay LLC
415599249	GM-TeknikaServisi LLC	245619898	Ajara Textile LLC
202177205	Tegeta Motors LLC	416344628	Movi LLC
206239729	Tegeta Truck and Bus LLC	405236935	MGMtex LLC
211346220	Toyota Center Tbilisi LLC	445384646	ISTANBUL BAZAAR LLC
405006461	Toyota Center Tegeta LLC	405070676	Georgian Products LLC
416334167	MN Corp Ltd	248428303	Georgian Textile LLC
202886010	JSC Georgian Railway	245567881	BTM-TEXTILE LLC
202886788	Tbilisi Transport Company LLC	400080103	Promo Wear LLC
245445200	Batumi Autotransport LLC	212670563	JSC Imeri Sewing Factory



215096367	Mountain Resorts Development Company LLC	404496121	JSC Aero-Structure Technologies (Cyclone)
202167500	BP Exploration (Caspian Sea) Limited Georgia Branch of Tbilisi	205064446	Sakspetstrans LLC
206103722	Georgian Gas Transportation Company LLC	404507173	GNL LLC
206237491	JSC Georgian Oil and Gas Corporation	404931972	Gebrüder Weiss LLC
211324468	JSC United Energy System Sakrusenergo	202248503	Caparol LLC
204991786	Energotrans LLC	230026888	JSC Sakcable
404428071	Gardabani TPP LLC	236037962	JSC Energon
251716371	Engurhesi LLC	405076359	NRG Georgia Ltd
404415290	Siqpa Security Solutions LLC	405112220	JSC Nenskra Hydro

V. Annex №2 -The list of activities, that are not suspended or are authorized to conduct activities remotely

- Mining and quarrying
- Construction of Building and Structures (only for business entities defined by Government of Georgia)
- Civil Construction (only for business entities defined by Government of Georgia)
- Specialized Construction works (only for business entities defined by Government of Georgia)
- Manufacture of construction materials/ wholesale trade (only for business entities defined by Government of Georgia)
- Manufacture of Tobacco products and trade (except specialized trade booths)
- Hotels and similar accommodation facilities (only for quarantine purposes)
- Transportation (motor vehicles, railway, air, sea) cargo transportation and related services
- Manufacture and wholesale of disinfecting, hygienic and chemical detergents
- Manufacture/distribution of facial masks, personal protective equipment, overalls, special protective equipment and outfit
- Washing and dry cleaning of textile
- Production of television programs and broadcasting activities
- Postal and courier services
- Publishing activities (press printing)
- Television and radio broadcasting, electronic communications
- Support for IT server infrastructure and security systems (remotely)
- Activities of information service (including business process outsourcing) (remotely)
- Insurance and leasing (remotely)



- Technical exams and analysis; Accredited exam and Calibration laboratories, product certification bodies and inspection bodies
- Activities of advertising agencies (remotely)
- Accounting and audit activities; Tax consulting (remotely)
- Consulting in business and other management matters (remotely)
- Architectural activities (remotely)
- Legal services (remotely)
- General cleaning and disinfection of buildings
- Funeral and related activities
- Fire and security system maintenance services
- 24-hours specialized facilities (boarding houses/shelters/facilities of childcare, mothers and children, disabled people (PWDS), the elderly people, victims of violence)
- Arbitration and Mediation (remotely)
- Territory service activities (planting, watering, maintenance)
- Trade in computers, computer peripherals and software (remotely)
- Trade in telecommunication devices and parts (remotely)
- Provision of cash registries and paper required for it

VI. Annex №3 - Economic activities and facilities/business entities carrying out economic activities, that are not restricted during the state of emergency

1. Refrigeration facilities
2. Custom warehouses;
3. Animal slaughterhouses;
4. Food and animal feed laboratories.
5. Disinfection service centers;
6. Greenhouses;
7. Construction of irrigation/reclamation systems;



VII. Relevant legislative acts and resources

- (1) Constitution of Georgia
See: <https://matsne.gov.ge/ka/document/view/30346?publication=35>
- (2) President of Georgia. Order №1. 21 March 2020 On Declaration of the State of Emergency throughout the Whole Territory of Georgia
See: <https://www.matsne.gov.ge/ka/document/view/4830390?publication=0>
- (3) President of Georgia. Decree № 1. 21 March 2020, On Measures to be Implemented in connection with the Declaration of a State of Emergency throughout the Whole Territory of Georgia
See: <https://www.matsne.gov.ge/ka/document/view/4830372?publication=0>
- (4) Resolution of the Parliament of Georgia № 5864-სს, 21 March 2020 On Approval of Edict № 1 of 21 March 2020 of the President of Georgia On Declaration of the State of Emergency throughout the Whole Territory of Georgia
See: <https://www.matsne.gov.ge/ka/document/view/4830327?publication=0>
- (5) Resolution of the Parliament of Georgia №. 5865-სს, 21 March 2020 On Approval of the order №. 1 of 21 March 2020 of the President of Georgia On Declaration of the State of Emergency throughout the Whole Territory of Georgia
See: <https://www.matsne.gov.ge/ka/document/view/4830333?publication=0>
- (6) Decree of the Government of Georgia № 180 (March 23, 2020) On quarantine measures to be implemented in order to prevent the spread of the novel coronavirus in the municipalities of Marneuli and Bolnisi
See: <https://www.matsne.gov.ge/ka/document/view/4830641?publication=1>
- (7) Decree of the Government of Georgia № 181 (March 23, 2020) On the Approval of Measures to be Implemented in connection with the Prevention of the Spread of the Novel Coronavirus (COVID-19)
See: <https://www.matsne.gov.ge/ka/document/view/4830610?publication=0>
- (8) Joint order of the Minister of IDPs from the Occupied Territories, Labor, Health and Social Affairs of Georgia and the Minister of Finance of Georgia №01-36/N/N89, April 1 2020, on making a change to the joint order of Minister of Labor, Health and Social Affairs of Georgia and the Minister of Finance of Georgia №01-69/N/N451, dated December 15, 2017 “On defining a list of goods for medical/medical purposes, supply and/or import of which is exempt from value added tax without the right of deduction”
See: <https://matsne.gov.ge/ka/document/view/4841418?publication=0>
- (9) Order of the Chairmen of the State Procurement Agency №11, April 1, 2020 on making a change to the Order of the State Procurement Agency №12, dated June 14, 2017 “On approval of the rules for conducting electronic tenders”
See: <https://matsne.gov.ge/ka/document/view/4842108?publication=0>



- (10) Decree of the Government of Georgia № 210, April 1, 2020 on making a change to the Ordinance of the Government of Georgia № 650, dated December 25, 2019 “On some measures to be taken in connection with public procurement”
See: <https://matsne.gov.ge/ka/document/view/4841944?publication=0>
- (11) Order of Minister of Justice of Georgia №511, March 31, 2020 on Approval of Measures to be Implemented in connection with facilitation the Prevention of the Spread of the Novel Coronavirus (COVID-19) on the activities of the Legal Entity of Public Law- Notary Chamber of Georgia and terms and conditions of Notary Service
See: <https://matsne.gov.ge/ka/document/view/4841539?publication=0>
- (12) Decree of the Government of Georgia №205, March 31, 2020 On the implementation of educational process in educational institutions during the period of emergency
See: <https://matsne.gov.ge/ka/document/view/4840190?publication=0>
- (13) Decree of the Government of Georgia №206, (March 31, 2020) on making a change to the Ordinance of the Government of Georgia № 510, dated December 1, 2017 “On Approving the Technical Regulation on the Periodic Technical Inspection of Motor Vehicles and their Trailers”
See: <https://www.matsne.gov.ge/ka/document/view/4840201?publication=0>
- (14) Order of Minister of Justice of Georgia №510, March 31, 2020 on making a change to the Order of Minister of Justice of Georgia №149, dated November 21, 2011 “On determination of subordinate normative acts that do not require legal conclusion of the Ministry of Justice of Georgia”
See: <https://www.matsne.gov.ge/ka/document/view/4839069?publication=0>
- (15) Order of the Prime Minister of Georgia №74, March 30, 2020 on the use of Georgian Defense Forces throughout Georgia
See: <https://matsne.gov.ge/ka/document/view/4840147?publication=0>
- (16) Order of Revenue Service №9206, March 26, 2020 on making a change to the Order of the Head of Revenue Service №13446, dated May 18, 2016 “On approval of the methodological reference on the procedure for production of taxpayers’ personal account cards
See: <https://www.matsne.gov.ge/ka/document/view/4839707?publication=0>
- (17) Decree of the Government of Georgia № 185 (March 23, 2020) On Approval of State Program for Maintaining Prices on Basic Needs Food Products
See: <https://www.matsne.gov.ge/ka/document/view/4832948?publication=0>
- (18) Joint order of the Minister of Economy and Sustainable Development of Georgia, Minister of Internal Affairs of Georgia and Minister of Environmental Protection and Agriculture of Georgia on defining the list and rule of functioning of entrepreneurial subjects on the territory of Marneuli and Bolnisi Municipalities №1-1/155, №23, №2-281; 26 March 2020
See: <https://matsne.gov.ge/ka/document/view/4837039?publication=0>



- (19) Order of the President of the National Bank of Georgia № 51/04, 23 March 2020 on Temporary suspension of submission of applications and respective documents to be submitted to the National Bank of Georgia for receiving a registration/license/permit, as well as granting authorization/recognition by some persons
See: <https://www.matsne.gov.ge/ka/document/view/4830961?publication=0>
- (20) Order of the Director of Maritime Transport Agency of the Ministry of Economy and Sustainable Development of Georgia №03, 23 March 2020, on suspension of some powers of the Agency in connection with the spread of the novel coronavirus COVID-19
See: <https://www.matsne.gov.ge/ka/document/view/4831559?publication=0>
- (21) Decree of the Government of Georgia №184 (March 23, 2020) On Establishment of different rules of carrying out public services and administrative proceedings included in the system of the Ministry of IDPs from the Occupied Territories, Labor, Health and Social Affairs of Georgia
See: <https://www.matsne.gov.ge/ka/document/view/4832871?publication=0>
- (22) Order of the Prime Minister of Georgia №71, 23 March 2020, On use of the defence forces of Georgia
See: <https://www.matsne.gov.ge/ka/document/view/4830690?publication=0>
- (23) Order of the Minister of Internal Affairs of Georgia № 18, 23 March 2020 on making a change to the order of the Minister of Internal Affairs of Georgia № 625 dated 15 August 2014 "On approval of forms of documents to be drafted by authorized persons of the Ministry of Internal Affairs of Georgia in connection with administrative offence cases and defining the rule of their filling in and maintaining"
See: <https://www.matsne.gov.ge/ka/document/view/4832185?publication=0>
- (24) Law of Georgia on State of Emergency
See: <https://matsne.gov.ge/ka/document/view/33472?publication=6>
- (25) Decree of the Government of Georgia № 529 (12 March 2020) on defining special measures of activities at public institutions for the purpose of prevention of possible spread of the novel coronavirus (COVID-19)
See: <https://www.matsne.gov.ge/ka/document/view/4821857?publication=1>
- (26) Decree of the Government of Georgia № 144 (2 March, 2020) on making a change to the Ordinance of the Government of Georgia № 674 dated December 31, 2019 "On approval of 2020 state programs for health protection"
See: <https://www.matsne.gov.ge/ka/document/view/4812387?publication=0>
- (27) Decree of the Government of Georgia № 164 (28 January 2020) on approval of the measures for prevention of the possible spread of the new coronavirus in Georgia and the operative response plan to the cases of diseases caused by the new coronavirus
See: <https://www.matsne.gov.ge/ka/document/view/4821121?publication=13>



- (28) Order of the Director of Maritime Transport Agency of the Ministry of Economy and Sustainable Development of Georgia № 01 (12 March 2020) "On some measures to be implemented in connection with COVID 19 in the field of sailor certification"
See: <https://www.matsne.gov.ge/ka/document/view/4821485?publication=0>
- (29) Decree of the Government of Georgia № 176 (17 March 2020) on making a change to the Ordinance of the Government of Georgia № 674 dated December 31, 2019 "on approval of 2020 state programs for health protection"
See: <https://www.matsne.gov.ge/ka/document/view/4826093?publication=0>
- (30) Decree of the Government of Georgia № 545 (17 March 2020) on measures to be implemented for prevention of dissemination of possible cases of the novel coronavirus COVID-19 in Georgia and readiness for responding to the suspicious and/or confirmed cases
See: <https://www.matsne.gov.ge/ka/document/view/4825812?publication=0>
- (31) Order of the Minister of Education, Science, Culture and Sport of Georgia N. 36/N (18 March 2020) on making a change to the Order of the Minister of Education and Science of Georgia № 99/N dated October 1, 2010 "On approval of the regulations and fee for authorization of educational institutions"
See: <https://www.matsne.gov.ge/ka/document/view/4825035?publication=0>
- (32) Order of the Minister of Education, Science, Culture and Sport of Georgia N. 37/N (18 March 2020) on making a change to the Order of the Minister of Education and Science of Georgia № 65/N dated May 4, 2011 "On approval of the regulations and fee for accreditation of educational programs of institutions of general education and higher education"
See: <https://www.matsne.gov.ge/ka/document/view/4825052?publication=0>
- (33) Decree of the Government of Georgia № 177 (19 March 2020) on the supporting measures developed for facilitation of small, medium and family hotel industry by the economic team of the Georgian Government under guidance of the Prime Minister of Georgia
See: <https://www.matsne.gov.ge/ka/document/view/4827773?publication=0>
- (34) Order of the Minister of Justice of Georgia № 507 (19 March 2020) on making a change to the Order of the Minister of Justice of Georgia № 120 dated February 1, 2016 "on approval of the rule of using the juvenile diversion and mediation program and the main terms and conditions of the agreement to be signed between the parties"
See: <https://www.matsne.gov.ge/ka/document/view/4824005?publication=0>
- (35) Order of the Minister of Internal Affairs of Georgia № 17, (19 March 2020) on temporary suspension of some services by LEPL Service Agency of the Ministry of Internal Affairs of Georgia" for the purpose of prevention of spread of the novel coronavirus (COVID-19) and establishment of certain conditions for exemption from payment of certain fees envisaged by the Law of Georgia "on the fee and deadlines established for services provided by LEPL Service Agency of the Ministry of Internal Affairs of Georgia"
See: <https://www.matsne.gov.ge/ka/document/view/4829188?publication=0>



- (36) Order of the Head of the National Food Agency on defining some measures for possible prevention of the novel coronavirus in Georgia №14-1, 17 March 2020; Order №15-1, 20 March, 2020
See Order №14-1: <http://nfa.gov.ge/uploads/other/8/8004.pdf>
See Order №15-1: <http://nfa.gov.ge/uploads/other/8/8006.pdf>

Recommendations of the Ministry of IDPs from the Occupied Territories, Labor, Health and Social Affairs of Georgia

- (37) General recommendations in connection with the infection (COVID 19) caused by the novel coronavirus (SARS-CoV-2) applicable for all sectors of economic activities
See: <https://stopcov.ge/Content/files/Infecqiastan-dakavshirebuli-zogadi-rekomendaciebi-KA.pdf>
- (38) General recommendations in connection with the infection (COVID 19) caused by the novel coronavirus (SARS-CoV-2) for construction sector
See: <https://stopcov.ge/Content/files/Rekomendaciebi-samsheneblo-seqtorisatvis-KA.pdf>
- (39) General recommendations in connection with the infection (COVID 19) caused by the novel coronavirus (SARS-CoV-2) for hotel personnel and visitors
See: <https://stopcov.ge/Content/files/Sastumros-personalisa-da-stumrebisatvis.pdf>
- (40) General recommendations in connection with the infection (COVID 19) caused by the novel coronavirus (SARS-CoV-2) for border check-point visitors
See: <https://stopcov.ge/Content/files/Sasazrvro-gamshvebi-punqtis-personalisatvis-KA.pdf>
- (41) General recommendations in connection with the infection (COVID 19) caused by the novel coronavirus (SARS-CoV-2) for the service sector (banks, pharmacies and retail facilities)
See: <https://stopcov.ge/Content/files/momsaxurebis-seqtorisatvis-KA.pdf>
- (42) General recommendations in connection with the infection (COVID 19) caused by the novel coronavirus (SARS-CoV-2) for the transport sector
See: <https://stopcov.ge/Content/files/satransporto-seqtorisatvis.pdf>
- (43) General recommendations in connection with the infection (COVID 19) caused by the novel coronavirus (SARS-CoV-2) for the mining sector
See: <https://stopcov.ge/Content/files/samto-mopovebiti-seqtorisatvis-KA.pdf>

Remote services/statements of public institutions:

- (44) List of remote services:
See: <https://stopcov.ge/ka/Services>
- (45) Online services of the National Agency of Public Registry
See: <https://napr.gov.ge/p/1913>
- (46) Court:



See: <http://www.tbappeal.court.ge/index.php?news=914&mc=1>

See: <http://www.supremecourt.ge/news/id/2056>

See: <http://static.court.ge/Uploads>

(47) Explanations of the Public Defender in connection with the Decree

See: <http://www.ombudsman.ge/res/docs/2020032200203855149.pdf>

(48) Statements of the National Bank of Georgia

See: <https://www.nbg.gov.ge/index.php?m=340&newsid=3897>

(49) Statement by Mayor of Tbilisi

See: http://tbilisi.gov.ge/news/9795?fbclid=IwAR20j6DmkxSebUUdvNh5AuiiI8qfSoLRLaEUwxaG2N TL6s_Ozhu_lEqezx4