

ON THE GEORGIAN CHAMBER OF COMMERCE AND INDUSTRY

This Law defines the legal, economic and social grounds for the activities of the Georgian Chamber of Commerce and Industry, as well as its principles, and organisational and legal form.

**Article 1 - Status of the Georgian Chamber of Commerce and Industry**

1. The Georgian Chamber of Commerce and Industry (the 'Chamber') is a membership-based corporation under public law that incorporates the Chambers of Commerce and Industry of the Autonomous Republics of Adjara and Abkhazia, and regional Chambers of Commerce and Industry established according to the legislation of Georgia and the Autonomous Republics of Adjara and Abkhazia, as well as business entities and associations registered according to the legislation of Georgia.

2. The business entities and their associations specified in paragraph 1 of this article may become members of the Chamber on a voluntary basis after their registration according to the legislation of Georgia. The Chamber represents the interests of resident business entities in issues related to business activities within Georgia and abroad, regardless of whether or not such resident business entities are members of the Chamber. Membership of the Chamber, as well as membership of the Chambers of Commerce and Industry of the Autonomous Republics of Adjara and Abkhazia and regional Chambers of Commerce, shall not automatically entail an obligation on the part of the business entities and associations to pay a mandatory membership fee. Business entities and their associations may pay a membership fee on a voluntary basis.

3. The Chamber shall perform its activities in accordance with this Law and the Charter of the Chamber. The jurisdiction of the Chamber shall apply across Georgia.

4. The Law of Georgia on Public Service shall not apply to the activities of the Chamber.

**Article 2 - Principles of the Chamber's activities**

1. The Chamber shall perform its functions in accordance with this Law and the Charter of the Chamber and in accordance with the Constitution of Georgia and other legislative and subordinate acts of Georgia.

2. The Chamber shall have its own property and act in its own name in legal relations.

3. State-owned property may be transferred to the Chamber for the accomplishment of its objectives and the performance of the functions imposed on the Chamber.

4. Chambers of Commerce and Industry operating within the territory of Georgia and their members shall not be responsible for each other's liabilities.

**Article 3 - Goals and functions of the Chamber**

1. The goal of the Chamber is to promote the economic growth of the country by supporting the activities of business entities.

2. The functions of the Chamber are to:

a) provide informational and advisory services to business entities;

b) improve professional education levels and the qualifications of business entities and organise other types of training within the country and abroad;

c) represent and protect the common and individual interests of resident business entities within the country and abroad in matters related to entrepreneurial activities, regardless of whether or not the resident business entities are members of the Chamber;

d) support the export of local goods;

e) render assistance in the preparation of documents required for patenting inventions, utility models, industrial designs, trademarks, brand names and service marks;

f) arrange exhibitions of local and foreign goods, organise business meetings and other events;

g) carry out investment promotion activities in Georgia;

h) provide translation services to facilitate the activities of business entities;

i) within its competence, render services required by foreign organisations and enterprises to carry out entrepreneurial activities in Georgia;

j) create IT systems and data banks containing information about products, services and business information;

k) assist business entities in preparing business plans;



- l) support business entities in fulfilling the requirements of the normative acts of Georgia;
  - m) facilitate the settlement of property disputes arising between the entities of private law by establishing alternative dispute resolution mechanisms;
  - n) fulfil other tasks determined by this Law, other normative acts of Georgia and the Charter of the Chamber.
3. Based on applications voluntarily submitted by physical or legal persons, the Chamber carries out the following activities:
- a) quantitative and qualitative expertise and evaluation of local and foreign goods after obtaining accreditation in accordance with the legislation of Georgia;
  - b) verification of information concerning trade, customs and port rules and regulations in force in Georgia;
  - c) certification of circumstances related to foreign economic activities;
  - d) issuance and/or verification of General (Non-preferential) Certificates of Origin;
  - e) issuance and/or verification of Preferential Certificates of Origin of member states of the Commonwealth of Independent States;
  - f) issuance and/or verification of Preferential GSP Certificates of Origin;
  - g) (deleted - 27.10.2015, No 4406);
  - h) assignment of identification bar codes;
  - i) issuance of protective (holographic markings) according to a registered trade mark;
  - j) issuance of the 'Made in Georgia' label confirming the Georgian origin of goods;
  - k) confirmation of *force-majeure*.
4. Activities defined by this Law can be performed by electronic means. A document issued and/or verified in an electronic form as a result of the performance of the functions defined by this Law shall have the same legal effect as a hardcopy document.
5. Fees shall be determined for services provided by the Chamber to physical or legal persons. The amount of the service fee and the manner of payment, as well as the procedure for determining the membership fee for a business entity and its associations, shall be defined by the Charter of the Chamber. Service fees and membership fees shall be non-discriminatory and cost-oriented.

*Law of Georgia No 4406 of 27 October 2015-website, 3.11.2015.*

#### **Article 4 - Rights of the Chamber**

1. The Chamber has the right to:
- a) participate in the preparation and review of draft laws on economic or other issues, and carry out an independent evaluation of draft normative acts of the economic sector, and submit proposals to the relevant public authorities for review;
  - b) determine fees for services rendered under a contract when carrying out the functions determined by this Law and the Charter of the Chamber;
  - c) build, acquire or receive, in any form laid down in the legislation of Georgia for the transfer of property, movable and/or immovable property necessary for the activities of the Chamber both in the territory of Georgia and abroad;
  - d) conclude transactions in accordance with the legislation of Georgia for the efficient performance of the functions imposed on it;
  - e) represent the interests of local business entities in international and foreign organisations, and cooperate with them and become a member of them;
  - f) establish legal entities of private law to delegate the specific activities and functions defined in this Law;
  - g) on the basis of the principle of territorial differentiation, delegate, fully or partially, the specific functions imposed on it under this Law to the Chambers of Commerce and Industry of the Autonomous Republics of Adjara and Abkhazia and regional Chambers of Commerce and Industry;
2. The Chamber has the right to establish other kinds of Chambers of Commerce and Industry (joint, industry-specific) in accordance with this Law, and their scope of activities and authority shall be determined by their foundation documents.

#### **Article 5 - Finances of the Chamber**

The finances of the Chamber consist of:

- a) membership fees;
- b) donations from physical and legal persons;
- c) other income permitted by the legislation of Georgia.



## **Article 6 - Management of the Chamber**

1. The bodies of the Chamber are:

- a) the General Meeting;
- b) the Council of the Chamber (the 'Council');
- c) the President of the Chamber (the 'President').

2. The supreme body of the Chamber is the General Meeting.

3. The General Meeting shall be convened at least once a year.

4. Along with fulfilling other functions provided for by this Law and the Charter of the Chamber, the General Meeting shall elect the President from among its members and approve the Charter of the Chamber.

5. At the General Meeting the members of the Chamber shall be represented as delegates elected according to the procedure determined by the Charter of the Chamber.

6. The General Meeting shall be duly constituted if attended by more than half of its delegates.

7. The main policy-making body of the Chamber is the Council. In accordance with this Law and the Charter of the Chamber, the Council shall discuss and decide main priorities, objectives, strategy and other issues stipulated by the Charter of the Chamber. In cases defined by the Charter of the Chamber, the Council may fulfil certain functions of the General Meeting during the period between the General Meetings.

8. The Council shall be composed of the representatives of different unions (associations) of business entities and the President. The Council shall be composed of at least ten members. The Council shall make decisions on the admission of new members in accordance with the Charter of the Chamber.

9. The Council shall be duly constituted if attended by more than half of the total number of its members.

10. Functions, powers, activities and decision-making procedures shall be determined by the Charter of the Chamber.

11. The President is the highest officer of the Chamber.

12. The President shall be elected by the General Meeting for four years through direct, open voting and by a majority of votes of the delegates attending the meeting, as provided for by the Charter of the Chamber.

13. The Chamber shall have Vice Presidents and a General Director.

14. Vice Presidents, whose number is determined by the Charter of the Chamber, shall be appointed by the President. Vice Presidents shall conduct their activities within the area determined by the Charter. The heads of the Chambers of Commerce and Industry of the Autonomous Republics of Adjara and Abkhazia are, at the same time, Vice Presidents of the Chamber. In the absence of the President, one of the Vice-Presidents shall exercise the President's official powers.

15. The daily activities of the Chamber shall be carried out by the General Director appointed by the President. The President has the right to delegate some of his/her powers to the General Director.

16. Issues related to the election (appointment) of the bodies and officials of the Chamber and their powers shall be determined by the Charter of the Chamber.

17. Termination of the activities of the Chamber (reorganisation, liquidation) shall be effected in cases determined by the Charter of the Chamber as determined by the legislation of Georgia.

## **Article 7 - Chambers of Commerce and Industry of the Autonomous Republics of Adjara and Abkhazia and Regional Chambers of Commerce and Industry**

1. The Chambers of Commerce and Industry of the Autonomous Republics of Adjara and Abkhazia are membership-based corporations under public law, which incorporate under their jurisdictions business entities and associations registered according to the legislation of Georgia.

2. To ensure the observance of the territorial principle provided for by paragraph 1 of this article, once a year, the Chambers of Commerce and Industry of the Autonomous Republics of Adjara and Abkhazia shall submit to the Chamber for approval an updated list of their member business entities and their associations. The Chamber may reject the list of the members whose activities extend beyond the territorial boundaries of the Autonomous Republics of Adjara and Abkhazia.

3. The Chambers of Commerce and Industry of the Autonomous Republics of Adjara and Abkhazia may be established by the Chamber upon the application of an initiative group composed of at least 20 business entities.

4. Based on the regional structure of the country, regional Chambers of Commerce and Industry may be established on the basis of an order of the President.

5. The territorial boundaries and powers of a regional Chamber of Commerce and Industry shall be defined by an order of the President on the



establishment of the regional Chamber of Commerce and Industry.

6. Only one regional Chamber of Commerce and Industry can operate within the same territory.

7. Several regional Chambers of Commerce and Industry may be merged into one.

8. The Chambers of Commerce and Industry of the Autonomous Republics of Adjara and Abkhazia shall carry out their activities in accordance with this Law, the Charter of the Chamber, the legislation of the Autonomous Republics of Adjara and Abkhazia and the Charters of their Chambers of Commerce and Industry; the regional Chambers of Commerce and Industry shall carry out their activities in accordance with this Law and the Charter of the Chamber.

9. Based on the territory of operation, member business entities (their associations) of the Chamber are, at the same time, members of the respective regional Chamber of Commerce and Industry.

10. Members of the Chamber may simultaneously be members of the Chambers of Commerce and Industry of the Autonomous Republics of Adjara and Abkhazia on the basis of voluntary membership. Members of the Chambers of Commerce and Industry of the Autonomous Republics of Adjara and Abkhazia and regional Chambers of Commerce and Industry shall pay membership fees (if any) to the respective Chamber of Commerce and Industry.

11. Membership fees may be established by the Chambers of Commerce and Industry of the Autonomous Republics of Adjara and Abkhazia and regional Chambers of Commerce and Industry only in agreement with the Chamber.

12. The relationship between the Chamber and the Chambers of Commerce and Industry of the Autonomous Republics of Adjara and Abkhazia and regional Chambers of Commerce and Industry, and the separation of their activities and finances, shall be additionally regulated by the Charter of the Chamber and acts issued in accordance with Article 4 (1)(g) of this Law.

#### **Article 8 - State control over the activities of the Chamber**

State control over the activities of the Chamber shall be exercised by the Prime Minister of Georgia.

#### **Article 9 - Transitional provisions**

1. The Chambers of Commerce and Industry that existed before the entry into force of this Law shall be re-established within 3 months after the entry into force of this Law, and their activities shall be brought in line with the provisions of this Law.

2. Within 1 month after the entry into force of this Law, the President of the Georgian Chamber of Commerce and Industry shall arrange the establishment of the Council of the Chamber in accordance with this Law.

3. The property of the Georgian Chamber of Commerce and Industry owned by it prior to the entry into force of this Law shall be indivisible and may not be distributed among the Chambers of Commerce and Industry of the Autonomous Republics of Adjara and Abkhazia and regional Chambers of Commerce and Industry and their members.

4. The Georgian Chamber of Commerce and Industry and the Chambers of Commerce and Industry of the Autonomous Republics of Adjara and Abkhazia shall bring their Charters in line with this Law within 2 months after the entry into force of this Law.

5. Until the fulfilment of the requirement of paragraph 4 of this article, the Charter as amended before the entry into force of this Law shall remain in force and effect.

#### **Article 10 - Final provisions**

1. Upon the entry into force of this Law, the Law On the Chamber of Commerce and Industry of 26 October 2001 (Legislative Herald of Georgia, No33, 10.11.2001, Art. 132) shall be declared invalid.

2. This Law shall enter into force upon its promulgation.

President of Georgia

M. Saakashvili

Tbilisi,

28 June 2012

No 6569-RS

