

## **Ordinance of the Government of Georgia**

**# 132 11 August 2005**

**Tbilisi**

### **On the Approval of Regulations on the Rule and Conditions of Issuing Forest Management Licences**

#### Article 1. Objective of the Regulations

The present Regulations shall define the rule and conditions of issuing a general licence on forest management (hereinafter – a general licence) and special licences (hereinafter – a special licence) permitting to create a game husbandry and produce wood products.

#### Article 2. General Licence

1. A general licence on forest management is a document that comprises special licences on game husbandry and wood produce.
2. In order to carry out activities provided for in one special licence, it is not obligatory to acquire a general licence.
3. Delivery of timber by an administrative body to the local population for their personal use (as firewood) as well as special forest management are not subject to licensing (including special felling in these territories). (11.08.2006 #149).

#### Article 3. Administrative Body Authorized to Issue General and Special Licences

1. The Ministry of Environmental Protection and Natural Resources (hereinafter – the Ministry) is an administrative body (hereinafter – an administrative body) authorized to issue general and special licences, and in the events provided for in Paragraph “e” of Paragraph 1 of the Ordinance of the Georgian government #21 of January 26, 2006 “On the Delegation of the Authority to Issue Licences and Permits to the Office of Environmental Protection and Natural Resources – a sub-departmental organization of the government of Acharan Autonomous Republic” - a sub-departmental organization of the government of Acharan Autonomous Republic: the Office of Environmental Protection and Natural Resources. (16.06.2006 #112).

1 A sub-departmental organization of the government of Acharan Autonomous Republic: the Office of Environmental Protection and Natural Resources shall coordinate terms and time-line of the auction with the Ministry of Environmental Protection and Natural Resources of Georgia. (28.06.2006 #124).

2. The Ministry may grant the authority to issue licences to its territorial agencies.
3. The territorial agencies of the Ministry authorized to issue licences shall be defined by a decree of the Minister of Environmental Protection and Natural Resources of Georgia.

#### Article 4. Rule of Issue of General and Special Licences

1. General and special licences shall be issued via auction.
2. The sale by auction shall be notified through an administrative act of the administrative body, that shall be published not later than one month prior to the auction. (16.06.2006 #112).
3. The administrative act, provided for in Paragraph 2 of the present Article, shall be issued on the basis of an application filed by an applicant - the application shall be considered by an administrative body through public administrative procedure – or the decision of an administrative body. (16.06.2006 #112).
4. The information on holding an auction shall be published in the national press not later than one month prior to the auction. (16.06.2006 N112)
41. The object of a general licence on forest management or of a special licence on the produce of wood products is a certain zone of the state forest fund with a wood-cutting area defined by the Georgian legislation. (13.03.2007 N48)
5. Prior to holding an auction the Ministry might determine quantitative, qualitative and temporal standards and rules of utilization – that for each case shall be approved by a Minister’s separate legal act – of timber to be processed (the place of its production, timber species, volume of production, a concrete rule of utilization, obligatory requirements for a subject of activities, etc.), objects of fauna and of arrangement of game husbandry.
5. The procedures concerning holding an auction, identification of a winning bidder and issue of a relevant licencing permit shall be established by the Ministry.

## Article 5. Procedures and Terms of Holding an Auction

1. Any applicant who meets the licencing requirements provided for in the law and assumes the responsibility – to meet the requirements determined by the agency issuing the utilization licence – shall have the right to participate in the auction for obtaining the licence.
2. The list of documents need to be submitted by an applicant to participate in the auction shall be defined by the Georgian legislation.
3. An application with regard to participation in the auction shall be received no later than 15 days prior to an auction.
4. In the event a licence aspirant refuses to participate in the auction before the deadline of submitting the applications has passed, the licence fees paid by him / her shall be refundable. After the deadline has passed, the licence fees shall not be refundable.
5. The procedure of paying the fees for using natural resources and terms of payment shall be defined under the laws regulating the sphere of fees for natural resources.
6. In order to participate in an auction for receiving a licence, a licence aspirant shall be obliged to pay a part of fee in advance. The amount of this sum, terms of its payment and refund shall be defined by the Minister's subordinate normative act. (23.09.2005 N 168)

## Article 6. Refusal to Allow Participation in the Auction

1. An aspirant shall not be allowed to participate in the auction, if he / she:
  - a) fails to submit all the documents necessary for the auction within the deadline;
  - b) deliberately submits false or inaccurate information;
  - c) is prohibited to participate in the auction under the requirements defined in the laws.
2. An aspirant shall be communicated the reasoned negative response not later than three days since the receipt of the application.

## Article 7. Initial Price

The rule of initial price determination of general and special licences put up for auction and procedures of payment shall be defined by a Minister pursuant to the provisions of the Georgian law “On Licences and Permits”.

## Article 8. Licence Provisions (24.09.2007 N203)

2. A bearer of a special licence for game husbandry shall comply with the following licence provisions:
  - a) Within one month period since acquiring a licence and on the basis of the information on legal and illegal felling during the last 5 years on the territory defined in the licence, a licensee shall transfer his / her territory under the quarterly plan (on the basis of the transfer and acceptance act). With account of the results of valuation of inventory and relevant substantiation it will become possible to correct the transfer and acceptance act;
  - b) to protect the territory of the state forest fund defined in the licence;
  - c) to make a selective inventory pursuant to the law currently in force within a 9 month period since acquiring a licence;
  - d) within a 10-month period since acquiring a licence to present a forest management plan drawn up under the laws currently in force;
  - e) along with a forest management plan to present an eco-auditor's certificate issued by a relevant organization accredited in any country-member of the Organization of Economic Cooperation and Development (OECD);
  - f) by the 1st of April of each following year to present a report - issued by the organization defined in Subparagraph “e” - on the implementation of activities stipulated in the forest management plan;
  - g) a licensee shall be responsible for implementing the activities provided for in the approved forest management plan;

- h) in the event new facts of illegal felling are revealed during the inventory – that were not specified in the transfer and acceptance act – a licensee shall address the Ministry with the aim of being granted the right to introduce relevant changes (as an annex) in the transfer and acceptance act and the subsequent response.
- i) to annually submit to the Ministry the materials concerning the inventory of the fauna objects and to observe the defined quota;
- j) to ensure the protection and conservation of animals *ferae naturae* - defined as a result of inventory - affecting within the game husbandry - and prevent the habitat of wild animals from disruption or deterioration;
- k) under the provisions of the Georgian law to deter the facts of law violation within the territory defined in the licences and communicate information on such violations to the relevant agencies in due course;
- l) to ensure the compliance with fire regulations; in the event of fire hazard, to take measure for its elimination and inform the relevant agencies without delay;
- m) under the provisions stipulated in the Georgian law to deter the blight of flora species and fauna diseases within the territory defined in the licences and communicate information on such facts to the relevant agencies in due course;
- n) in the event the habitat of wild animals deteriorates and wild life is under the threat of extermination, to immediately cease the exploitation of wild life; to take measures to avert a negative impact on wild animals and their habitat;
- o) not to hinder the local population from enjoying their traditional rights related to gratuitous satisfaction of their personal needs regarding the forest fund and forest resources (except for wood substance for material and firewood as well as non-wood substances subject to licencing);
- p) not to hamper the scientific research of flora and fauna species without withdrawing them from their habitat. Withdrawal of the objects of fauna from their habitat for the scientific-research purposes shall be carried out by agreement with a licensee;
- q) to ensure the identification of the natural boundaries of historical, religious and cultural monuments and implement social / recreational activities in this territory along with the interested parties;
- r) not to impede the implementation of the infrastructural national project (the main gas pipe-line, high voltage towers, etc.) and its operation in the territory defined in the licence

3. The terms of the general licence on forest management shall be defined by Paragraphs 1 and 2 of the present Article.

#### Article 9. Transitory Provisions

1. Procedures on granting the right to wood production (forest management), whose implementation had begun before the present ordinance was put into effect, shall continue and end up pursuant to the rule stipulated in the Georgian “Forest Code” and by-law normative acts passed on its basis.
2. Procedures related to the arrangement of game husbandry, whose implementation had begun before the present ordinance was put into effect (including the presentation of land owners’ consent needed for allotment of plot with the aim of creation of game husbandry) shall continue and end up pursuant to the competitive tendering stipulated in the Georgian law “On Fauna” and by-law normative acts passed on its basis.
21. An obligation to make a contract defined in Sub-paragraph “I” of Article 56 and Article 87 of the “Forest Code” of Georgia shall not apply to the owners of special licences on game husbandries; the above obligation shall not apply as well to the licences issued with the aim of creation of game husbandries - till the law of Georgia “On Licences and Permits” comes to force. (16.06.2007 N117)
3. Forms of a general licence on forest management, special licences on wood production and creation of game husbandries shall be approved by a by-law normative act issued by the Minister.
4. The Ministry is mandated not to allow strip and special felling in the territory that potentially might be subject to licencing without considering the issue raised on the basis of simple administrative procedure.