



## **Georgian Legal News**

### Refer to the Law

#### **Labour Code of Georgia**

Amendments to the Labour Code entered into force on 10 May 2019. The amendments recognise the sexual harassment of an employee as discrimination and put this issue on a statutory footing.

To this end, Paragraph 4<sup>1</sup> was added to Article 2 of the Labour Code.

"4<sup>1</sup>. Sexual harassment is unwanted conduct of a sexual nature towards a person with the purpose and/or effect of violating his/her dignity and creating an intimidating, hostile, humiliating, degrading, or offensive environment for him/her.

For the purposes of this law, conduct of a sexual nature shall mean sexual comments and/or references, and/or any other type of non-verbal physical conduct of a sexual nature."

Paragraph 3<sup>1</sup> was added to Article 13 "Internal Regulations", according to which:

"The employer is obliged to take measures to ensure the protection of the principle of equal treatment towards employees in the institution by, amongst others, reflecting anti-discrimination clauses in the internal regulations and other documents of the institution, and procuring adherence thereto."

## Civil Procedure Code of Georgia

Changes to the Civil Procedure Code came into effect on 10 May 2019. The amendments afford the Public Defender of Georgia the right to file a claim with a court as a claimant within the ambit of performing oversight of the issues within his/her remit concerning the elimination of all forms of discrimination and ensuring equality. This right arises in cases where any legal person or other type of organisational entity has failed to respond or accede to the public defender's recommendations and there is sufficient evidence in place proving discrimination.

Pursuant to the new redaction, a person may refer to a court within one year (in lieu of three months) after the person has become aware or ought to have become aware of the circumstance which he/she considers to be discrimination.

The person who considers himself/herself a victim of discrimination may submit a claim to a court even in cases where the labour relations during which the discrimination took place have ceased.

## Orders No. 89/04, 90/04, 91/04 of the President of the National Bank of Georgia

According to the orders, a microfinance organisation or a loan-issuing subject may not use the property used as a security for a loan issued by them to secure any of their obligations.

In a similar vein, a commercial bank may not use the property used as a security for a loan issued to a microfinance organisation, a loan-issuing subject, or a credit union that these entities have received as a security of a loan issued by them.

## Tax Code of Georgia

Amendments were made to the Tax Code on 29 May 2019 and entered into force on 1 June 2019. The amendments concern the note to Article 188(1), in particular, the excise duty for left hand-drive light hybrid vehicles was reduced by 60%; the excise duty for right hand-drive light electric vehicles was increased and is calculated by multiplying the excise rate by 2,000.

## The Decision of the Constitutional Court

The decision of the constitutional court of 28 May 2019 held the following clause unconstitutional in relation to Article 19(1) of the Constitution of Georgia: "the starting price of a property in a second auction is zero Georgian Lari" (the third sentence of Article 3(3) of Annex No. 1 of Order No. 21 of the Minister of Justice of Georgia "On approving the forms, rules, and procedures for conducting a forced sale auction").

The unconstitutional clause will be revoked from 31 August 2019.

# Contacts

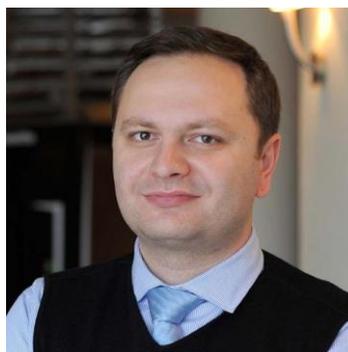
If you have any questions regarding the information provided in this newsletter, please contact one of the Tax & Legal professionals at our Deloitte office in Georgia:



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