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Re: **Licenses and permits required for import and export.**

SUMMARY

This memo provides analysis of the licenses and permits which apply to import and export activities. The document provides an overview of the regulatory framework including the Law of Georgia on Licenses and Permits, the Law of Georgia on License and Permit Fees, and corresponding sectoral laws and the secondary legislation. Where applicable, conflicts in the legal regimes regulating the license or permit are noted.

GENERAL REQUIREMENTS FOR LICENSES AND PERMITS

There are a total of 2 licenses and 12 permits which regulate import and export activities. A detailed list of specific licenses and permits is provided in Appendix I.

The Law on Licenses and Permits provides that licenses and permits may be required only for: safety and health protection, security of living conditions, cultural environment of individuals, and protection of state and public interests.

The law specifies general conditions for issuing licenses and permits. General documentary requirements for licenses and permits include:

- Written Application
- Extract from the business registry for legal persons and copy of identification card for physical persons, and signed and stamped copy of the foundation documents for a legal entity under public law
- Proof of payment of the license fee

Additional documentary requirements are defined in the sectoral laws and regulations for specific licenses and permits. Permits and activity licenses are issued according to the simple administrative procedure specified in the General Administrative Code of Georgia.

Licenses should be issued or rejected not less than 30 days after the application is submitted. Permits should be issued or rejected not less than 20 days after the application is submitted.

Though, if necessary the license/permit issuer can extend the deadlines for up to 3 months. The license/permit holder should be informed if a decision to extend the license/permit deadline is made. Under the law's "silence is consent principle," if a decision to issue the license/permit, to reject it, or to extend the deadline has not been made within the stated time limits, the license/permit is considered issued.

A License for the Export and Import of Electronic Means of Surveillance

The list of licenses, envisaged by Article 6 of the Law of Georgia on Licenses and Permits, contains a license for production, purchase, import and export of electronic means of surveillance. The Law of Georgia on Public Security defines electronic means of surveillance as special communication equipment and other means of surveillance, with the help of which latent communications can be uncovered without consent of one of the parties.

A license for the import or export of electronic means of surveillance is issued to a specific individual or a legal person. It is inadmissible for a holder of a license for the import and export of the electronic means of surveillance to transfer the license to any other person.

Control over the import and export from Georgia, as well as the production and use of electronic means of surveillance is exercised by the Public Safety Service of Georgia through the corresponding license. Currently no sectoral law regulates licensing conditions for import and export of electronic means of surveillance, therefore general conditions specified in the Law on Licenses and Permits apply.

Conflict: Currently the Law of Georgia on License and Permit Fees (subparagraph "b", Paragraph 18, Article 7) and the Law on Licenses and Permits contain conflicting provisions. The Law on License and Permit Fees refers to permit fee instead of license fee for import or export of electronic means of surveillance, which equals to 1% of transaction value.

A License for the Use of Fir Cones, Snowdrop or/and Cyclamen Tubers for Exportation Purposes, Under the Annexes of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES)

The licensing requirements for export of fir cones, snowdrop and/or cyclamen tubers are defined by Paragraph 9 of Article 7 of the Law of Georgia on Licenses and Permits under the Annexes of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES). The license holder is entitled to transfer the user license or part of it to other parties.

Additional conditions for issuance of the use license is regulated by the Resolution No 21 of the Government of Georgia, February 6, 2007 on the Approval of the Regulations on the Procedure and Conditions of Issuance of Licenses for Use of Cones and Snowdrop and/or Cyclamen Tubers, Under the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES). Under this resolution, the Ministry of Environmental Protection and Natural Resources of Georgia is nominated as the authority responsible for the issuance of user license.

According to paragraph “q” of Article 3 of the regulation, a license is issued only in cases when fir cones, snowdrop and/or cyclamen tubers are obtained for export for commercial purposes. Obtaining of fir cones, snowdrop or/and cyclamen tubers does not require a license if:

- fir cones, snowdrop or/and cyclamen tubers are obtained not for export purposes;
- the amount of fir cones exported during the year does not exceed five kilos and the amount of snowdrop or/and cyclamen tubers does not exceed 50 units;

Both the Law of Georgia on Licenses and Permits and the regulation, approved by the governmental resolution, provide for an auction as the legal format to issue a use license.

The auction is held based on:

- An applicant’s application filed with an administrative body
- A decision of a license issuing administrative body

According to GoG Resolution No 21, the applicant is required to make a down payment to obtain the right to participate in the auction. The procedure regulating the down payment, its payment and refund shall be specified in the secondary legislation approved by the Ministry of Environmental Protection and Natural Resources.

Order No 1020, September 18, 2006, of the Minister of Environmental Protection and Natural Resources of Georgia on the Approval of Holding of an Auction for the Purpose of Issuance of a User License, Identification of the Starting Price of a User License and Payment Procedure provides for the following formula to calculate the starting price of the license:

$$Y = \frac{\sum_{t=1}^n (Q / n \times L)}{(1 + K)^t}$$

Where:

- Y – is the starting price in the auction for a user license;
- Q – is the volume of the natural resource envisaged by the license;
- L – is the fee set for the use of the natural resources;
- K – is the discount rate – 0,15 percent;
- n – is the period of use of the natural resources envisaged by the license;
- t – represents the period, counted in years.

The form of the license for the use of fir cones, snowdrop or/and cyclamen tubers is specified by Order No 293 of the Minister of Environmental Protection and Natural Resources of Georgia, March 27, 2007. According to this Order auction for the issuance of a user license shall be announced at least one month prior to the date of the auction.

In case of use of fir cones for export, a user license is issued for no more than five years. A license for the use of snowdrop and/or cyclamen tubers is valid from the date of its issuance until December 31 of the year the license is issued.

Permit for the Export and Import of Weapons and Ammunition

According to Article 22 of the Law of Georgia on Weapons, export, import, re-export, and transit of weapons, ammunition, military appliances, technical documentation and works, and services related to the production of weapons requires permits issued by the Ministry of Justice of Georgia.

In order to receive a permit for export and import of military weapons, an applicant is required to present the following documents to the Ministry of Justice:

1. Copy of the agreement or the record of the intentions;
2. End-use Certificate;
3. Recommendation of the Military-Technical Standing Commission of the Ministry of Defense of Georgia;
4. Document confirming the payment of permit fee.

An end-use certificate is not required when the other party to the agreement is the authorized state authority of Georgia or other foreign country.

In addition to the Law on Weapons and the Law on Licenses and Permits, issuance of permits for export and import of weapons is regulated by the GoG Resolution No 144, August 23, 2005, on the Procedure of Issuance of Licenses and Permits with respect to Circulation of Weapons.

The applicant is required to submit the following documents to the Ministry of Justice for obtaining a permit for the export and import of weapons:

1. The duly certified copy of the agreement or the record of intentions;
2. Certificate of origin of goods;
3. Permit for the export, import of weapons issued by the authorized state agency on the territory of which the party in the agreement or records is registered;
4. End-use certificate;
5. Document confirming the payment of the registration fee.

The Ministry of Justice issues permits based on recommendation of the Military-Technical Standing Commission of the Ministry of Defense of Georgia, except for cases when applicant requests permit for export or import of smooth-bore hunting rifles, sporting guns, awarded guns, gas-rifles, scatter-guns, collectible guns and their respective types of ammunition.

According to the Law of Georgia on Weapons (Paragraph 5 of Article 22), no permit fee is payable if the permit is issued for export and import of weapons, ammunition, military appliances, technical documentation or for works and services related to the production of weapons which belong to or are destined for Georgian state authorities.

Article 27 of the Law of Georgia on Weapons provides for the cases when the Ministry of Justice of Georgia can deny issuance or withdraw permit. A permit can be withdrawn in the following cases:

1. Voluntary denial of the permit by the permit owner;
2. Violation of permit conditions or the requirements of the Law of Georgia on Weapons and other statutory requirements;
3. Handing over unserviceable weapons to the Ministry of Defense in accordance with the established procedure;

4. Use of weapons for purposes other than those outlined in the permit;
5. Cases envisaged by the international agreements;
6. Other cases envisaged by law;

Grounds for denial of permits for the export and import of weapons or ammunition are:

1. Mental or physical deficiency of an applicant
2. Regular violation of public order by an applicant
3. Chronic alcohol or drug addiction or drug abuse by an applicant
4. Active criminal record of an applicant
5. An applicant is under aged
6. Preventive order issued by the court with respect to an applicant.

Permit for Export and Import of Nuclear, Radioactive Units, Nuclear Materials, Radioactive Substances, Radioactive Waste, Minerals which Can Be Used for Production of Nuclear Materials, Any Material Made Up of Nuclear Materials or Radioactive Substances or Contains Them as a Constituent Part, as well as Nuclear Technologies and ‘Know-How’

Due to their nature and contents, nuclear and radioactive units represent a high risk for human health and life. Consequently their state control and regulation is one of the top priorities of the state. In accordance with subparagraph “d” paragraph 2 of Article 6 of the Law of Georgia on Nuclear and Radiation Safety, identification of the types of activities subject to licensing and permits in the field of nuclear and radiation safety falls within the competence of the top governmental authorities of Georgia.

Permits required for the export and import of these types of materials, including technology and technical information, are regulated by the Law of Georgia on Licenses and Permits, Order No 1770 of the Minister of Finance of Georgia, December 20, 2006, and Order No 1760 of the Minister of Finance of Georgia, December 20, 2006, on the Procedure for Applying Customs Procedures to Release for Free Circulation (Import) of Goods. A permit grants the right of export and import of nuclear and radioactive substances for a defined period specified in the law.

According to the Law of Georgia on Nuclear and Radiation Safety, the right of oversight in the field of nuclear and Radiation Safety is delegated to the Ministry of Environmental Protection and Natural Resources, which is responsible for issuing of licenses and permits for nuclear and radioactive activities.

The Law of Georgia on License and Permits, the Law of Georgia on Nuclear and Radiation Safety, and the GoG Regulation No 135, passed on August 11, 2005, on Issuance of Licenses and Permits for Nuclear and Radioactive Activities govern this area. The form of the permit is approved by Order No 10 of the Ministry of Environmental Protection and Natural Resources of Georgia.

Additional documentary requirements for issuing the permit to export and import nuclear and radioactive materials include:

- Copy of the license on nuclear and radioactive activities of the recipient of nuclear and/or radioactive materials in Georgia;
- Information about the nuclear and/or radioactive materials;
 - type of radionuclide with indication of its serial number;

- radionuclide activity (according to the passport data as well as on the day of submission of the documents);
- form of radioactive source (liquid, aerated, solid, closed, open);
- description of the use of radioactive source.
- Copy of the license on nuclear and radioactive activities of the carrier of nuclear and/or radioactive materials.

The validity of the permit for import and export of nuclear and radioactive materials shall be defined in the decision of the Ministry of Environmental Protection and Natural Resources upon issuing the permit.

Conflict: In this regard we have a conflict between the Law of Georgia on Nuclear and Radiation Security and Resolution No 135. Paragraph 2 of Article 10 of governmental resolution, says the permit shall be issued with a validity of up to six months, whereas according to paragraph 10 of Article 11¹ of the Law of Georgia on Nuclear and Radiation Security, the validity period is three months.

Permit for Import of Products Subject to Veterinary Control and Products of Plant Origin Subject to Phyto-sanitary Control

An import permit is required for products subject to veterinary control and products of plant origin subject to phyto-sanitary control, which is defined by the paragraphs 2 and 3 of Article 24 of the Law of Georgia on Licenses and Permits. , subparagraph “d” of Article 20 of the Law of Georgia on “Veterinary science” and subparagraphs “f.b” and “f.c” of Article 4 of the Decree N1760 of December 20, 2006 of the Minister of Finance of Georgia on “Adoption of the instruction on the rules applicable in case of customs procedure (regime) of release of the goods for free circulation (import)”.

The import permit on animals, animal products, animal food and other products subject to state veterinary control, as well as import permit on products of plant origin subject to phyto-sanitary control, is issued by the National Service for Safety of Products, Veterinary Medicine and Plant Protection of the Ministry of Agriculture.

At border points, sea ports, airports, land ports of entry, and customs check-points of Georgia, the relevant service of the Ministry of Finance of Georgia is responsible for the control of state veterinary border-quarantine activities. It is essential to determine that the country exporting the animal and products of animal origin shall be deemed reliable in respect to containing infectious diseases of animals.

The import permit on the animals, animal products, animal food and other products subject to state veterinary control, as well as import permits on products of plant origin subject to phyto-sanitary control, is issued by the Ministry of Agriculture according to the general rules on permit issuance defined by the Law of Georgia on Licenses and Permits.

According to the Law of Georgia on License and Permit Fees, the permit fee for import of products subject to veterinary control is GEL 50 and permit fee for import of products of plant origin subject to phyto-sanitary control is GEL 25.

Permit for Export and Import of Dual-Purpose Products

The term “dual-purpose products” is defined by paragraph “b” of Article 1 of the Law of Georgia on Export and Import Control of Armaments, Military Weapons and Dual-Purpose Products: “products, which are not determined for military purposes but which may be used for production of nuclear, chemical and other types of weapons of mass destruction, as well as the means of their transport”. This also applies to dual-use chemicals and technologies, which may be used for the creation of chemical weapons included in lists defined by international regimes. The list defined in Article 4 of the Law of Georgia on “Export and Import Control of Armaments, Military Weapons and Dual-Purpose products” may also be supplemented by a legislative act issued by the President of Georgia. The President of Georgia, by request of the Ministry of Economic Development of Georgia, adopts the list of dual-purpose products subject to export and import control. This list is agreed on by the permanent commission of military-technical issues established under the Ministry of Defense of Georgia. One of these acts is Order No 408 of the President of Georgia, September 22, 2002 on “measures for solving the issues of export, import, re-export and transit of dual-purpose products subject to export control”.

Paragraph 2 of Article 8 of the Law of Georgia on the Export and Import Control of Armaments, Military Weapons and Dual-Purpose Products assigns the responsibility for issuing export and import permits for dual-purpose products to the Ministry of Economic Development of Georgia.

Additional documentary requirements for issuing permit for export and import of dual-purpose products include:

- Export and import contract;
- End-use certificate;
- In case of goods marked with asterisk in the list of dual-purpose products adopted by the Order of the President of Georgia, end-use certificate issued by an authorized body, which reflects the obligation of the recipient country to use these products only for amicable purposes on its territory and not re-export these products to a third country without prior agreement from the original exporting country.

The contract on dual-purpose products shall contain the reference that authorized bodies of the Georgian Government (the Ministry of Economic Development of Georgia) have the authority to check the end-use of these products.

Conflict: The Law of Georgia on Export and Import Control of Armaments, Military Weapons and Dual-Purpose Products refers to Article 9 of the Law of Georgia on Licenses and Permits to define procedure for issuing these permits. Article 9 defines the list of the mandatory documents for obtaining activity license, therefore this reference is incorrect. Reference should be made to the Article 25 of the Law on Licenses and Permits which determines the documentary requirements for obtaining a permit.

The state has the authority to apply restrictions or place an embargo on export of dual-purpose goods from foreign countries if:

- The exporting country is violating the obligations assumed towards Georgia;
- Restriction is required by the decision of an international organization of which Georgia is a member.

The president of Georgia shall approve the list of the countries that are affected by any restrictions in respect to export or import of dual-purpose goods. Currently such list is not determined.

According to the Law of Georgia on License and Permit Fees, permit fee for export or import of dual-purpose products is GEL 30.

Permit for Import and Export of Species of Wild Flora or Fauna under Threat of Extinction

Law of Georgia on Licenses and Permits and GoG Resolution N96 of May 31, 2006, regulates the terms and conditions for issuance of import, export, re-export and transit permit for species of wild flora or fauna under threat of extinction.

Import and export permits are issued for species defined by Annex 1 of the Convention on International Trade in Endangered Species of Wild Fauna and Flora” (CITES), and the export permit is issued for the species defined by Annex 2. Ministry of Environmental Protection and Natural Resources of Georgia is responsible for issuing the permit.

In addition to the documents referred to in the Article 25 of the Law of Georgia on Licenses and Permits, the following information shall be included in the permit application:

- Type, description and quantity of the samples of species determined for export or import
- Purpose of export or import of species
- Source of origin of species
- Full name and address of importer or exporter.

In case of export of the species, the following shall also be presented to the license issuer:

- Document certifying the legality of obtaining the fauna species;
- Import permit issued by the relevant body of the importing country, in case of export of the samples of fauna species listed in Annex 1 of the Convention;
- In case of export for commercial purposes of the species listed in Annex 2 of the Convention, contract signed with the importer with the purchase amount and price.

In case of import of species, the following documents shall also be submitted:

- Certificate of origin issued by the exporting country;
- In case of export of live samples, document confirming the availability of relevant conditions for maintenance and storage of species.

For import of species listed in Annex 1 of the Convention, the permit is issued only with the precondition that the species will not be primarily used for commercial purposes.

An export permit is valid for six months and an import permit is valid for one calendar year.

According to the Law of Georgia on License and Permit Fees, permit fee for export and import of species listed in Annexes of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), and their parts and or products is GEL 50.

Permit for Import of Non-iodized Salt

Import of non-iodized salt is subject to a permit obtained in accordance with the Law of Georgia on Licenses and Permits and GoG Resolution No 185 of October 14, 2005, on the Terms and Conditions for Issuing Import Permit for Non-iodized Salt.

According to the Resolution No 185 the Ministry of Agriculture of Georgia is responsible for issuing import permits for non-iodized salt.

Resolution N185 defines the additional documentary requirements for obtaining the permit:

- Legal basis for import of non-iodized salt into Georgia (contract, official letter, agreement)
- Document confirming the amount and quality of the product
- Document confirming the further use of non-iodized salt for non-nutrition purposes
- In case when importer and consumer of non-iodized salt is the same person, evidence that the product is not to be used in nutrition.

Conflict: Currently the Law of Georgia on License and Permit Fees does not determine the size of permit fee for import of non-iodized salt.

Permit for Import and Export of Materials of Limited Circulation

Materials of limited circulation are the substances, raw material, products, and parts, which, due to their active features, have a particularly harmful impact on human health and environment; therefore their circulation on Georgian territory is restricted or prohibited. GOG Regulation of September 28, 2006 approving terms and conditions for issuing permits for transportation, import, export, transit and re-export of materials of limited circulation and the list of materials of limited circulation. The Ministry of Environmental Protection and Natural Resources of Georgia is responsible for issuing permits.

In order to issue such a permit, the Ministry of Environmental Protection and Natural Resources of Georgia should receive evidence of necessity from one of the following agencies:

- Ministry of Internal Affairs of Georgia – in case of export/import of prohibited or strictly restricted substances;
- Ministry of Agriculture of Georgia – in case of export/import of prohibited or strictly restricted pesticides;
- Ministry of Labor, Health and Social Protection of Georgia – in case of transportation of materials of limited circulation;

In the process of issuing permit these agencies participate as other administrative bodies, while the main body responsible for issuing permits is the Ministry of Environmental Protection and Natural Resources of Georgia.

Additional documentary requirements for issuing permit include:

- Certificate of origin of goods
- Certificate of compliance
- Copy of the contract
- Information about packing and labeling of goods
- In case of export, approval of the duly authorized body of recipient country.

A precondition for issuing an import permit for materials of limited circulation is compliance with the requirements of the Law of Georgia on “Transit and Import of Waste on the Territory of Georgia.” This law prohibits the following:

- Import of dangerous and radioactive industrial, domestic and other types of waste for the purpose of their utilization, neutralization, processing, burying or any other purposes;
- Import of non-dangerous and non-radioactive industrial, domestic and other types of waste for the purpose of their utilization, neutralization, processing, burying or any other purpose.

The form of the export/import permit of the materials of limited circulation is defined by the Ministry of Environmental Protection and Natural Resources of Georgia, which charges a fee of GEL 200 for issuing the permit.

The export/import permit for the materials of limited circulation is issued for up to two years.

Currently no permit is issued for the export and import of materials of limited circulation because the September 28, 2006 GOG Resolution approving terms and conditions for issuing permits for transportation, import, export, transit and re-export of materials of limited circulation and the list of materials of limited circulation is suspended for the period from April 7 to September 1, 2007. Due to this fact exporters and importers engaged in this sphere cannot operate until the hold is lifted.

Permit for Export and Import of Medicines Subject to Special Control

The Georgian Law on Licenses and Permits, as amended on June 24, 2005, specifies permit for import and export of pharmaceuticals subject to special control. The list of those pharmaceuticals, which generally consists of narcotics and psychotropic substances, is determined by international regulations and is also approved by Order of the Minister of Labor, Health and Social Affairs. Additional terms for issuing permits for import or export of pharmaceuticals subject to special control are defined by GOG Regulation # 176 of October 14, 2005.

All pharmaceuticals within Georgian territory must be registered but they are not subject to permitting. Registration procedures of pharmaceuticals are outlined in the Georgian Law on Drugs and Pharmaceutical Activities, as amended on October 11, 2005.

The Drug Agency under the Ministry of Labor, Health and Social Protection of Georgia is responsible for issuing export or import permits for medicines subject to special control.

Before issuing the permit, the Drug Agency must obtain an agreement regarding the export or import of medicines subject to special control from the relevant authorized representatives of exporting or importing countries.

Additional documents to be submitted to the permit issuing body include:

- Contract with the supplier or recipient containing the information on specifications of the medicine subject to special control
- In case of export, original copy of preliminary agreement with the importing country.

Under the legislation, the permit does not have a defined period of validity. It is valid “for the period of specific activity within the defined limits”. According to the Law of Georgia on License and Permit Fees, GEL 100 is the permit fee.

Permit for Bringing into or Removing from Georgia of Weapons and Armaments by Persons Accompanying the Representatives of Foreign Countries and International Organizations as Well as Other VIP Persons during Their Visits

As described above, Georgian legislation controls the entry, exit and movement of armaments and military equipment within the territory of the country. This also contains regulations related to cases of bringing into or removing from Georgia weapons and armaments by persons accompanying representatives of foreign countries and international organization, as well as other important persons during their visits. Due to the special status of such persons, the legislation defines separate forms for their use.

These rules are defined by Order of the President No 593 of November 30, 2003. Cases involving representatives of foreign countries and international organizations are the responsibility of the Special State Security Service.

Order No 593 covers cases related to the visits of representatives of foreign countries and international organizations, cases of bringing into or removing from Georgia of weapons and armaments by other important persons as well as persons accompanying them during their visits. The list of such cases is provided by the register adopted by the Special State Security Service.

While normally the permit applicant is responsible for submitting the necessary paper work, permits of this nature are obtained by the Protocol Service of the State Chancellery, the Ministry of Foreign Affairs or Apparatus of the Parliament of Georgia and not the potential permit holders themselves. The representatives of the above authorities are obliged to timely inform the Special State Security Service about the expected visit of persons enjoying special status. On the basis of this information, the Special Service of State Security informs the inquiring agencies about its decision on entry and exit from Georgia of armament and military equipment. After it has made a decision, the Special Service of State Security ensures the immediate issuance of the permit to the agency.

The Protocol Service of the State Chancellery of the Government of Georgia, Ministry of Foreign Affairs or Apparatus of the Parliament of Georgia submits the permit certificate to the relevant persons accompanying the representatives of foreign countries, international organization, or other important persons during such visits.

The validity of the permit is determined by the duration of the visit. The permit is deemed invalid immediately upon the departure of the delegation from Georgia. In case of an extension of the visit, in accordance with Article 10 of the Presidential Order of the President, the permit is automatically prolonged without any further requests filed.

Conflict: License and permit fees are defined by the Law of Georgia on License and Permit Fees. But this law provides only an exemption from permit fees for the export of armaments and military equipment for military forces of Russian Federation located on Georgian territory and it does not specify the permit fee for general cases.

Permit for Import and Export of items of Cultural Value

The export of items of cultural value from Georgia is regulated by the Law of Georgia on Entry and Exit of Items of Cultural Value from Georgia.

In accordance with international obligations assumed by the Georgian Ministry of Culture, Monument Protection and Sports, the government regulates and controls the process of import and export from Georgia of items deemed to have cultural value. The ministry is responsible for issuing corresponding permits. The law does not exempt members of the diplomatic service from obtaining the export permit of cultural values from Georgia.

Cultural values include values of archaeological, prehistoric period, history, literature, art, science and other important religious or public values, which are:

- a. created on Georgian territory by Georgian nation or other nations who settled in and are still residing on Georgian territory;
- b. created on Georgian territory by Georgian citizens or foreign citizens who settled in and are still residing on Georgian territory;
- c. have been discovered on Georgian territory;
- d. are gifts or are purchased through the agreement with relevant party of a foreign country.

To obtain a permit for temporary exit from Georgia of a cultural movable monument or temporary items that are considered to have cultural value, State Museum Fund of Georgia, archive, library, other public agency storing the item of cultural value, as well as state public bodies, local municipalities and other persons, shall file an application with the Ministry of Culture, Monument Protection and Sports. The application shall be accompanied by:

- a) Contract concluded with the recipient stating the purpose and conditions of temporary export of cultural values from Georgia
- b) Documents certifying coverage of all cases of risk insurance by the recipient, commercial insurance or document certifying financial coverage of all other risks with state guarantee;
- c) Documented guarantee of the recipient and the state on return of the item of cultural value to Georgia;
- d) Notice that items perceived to have cultural value are temporarily exported from Georgia and are entered into a state register.

The permit on exit or temporary exit of cultural values from Georgia is issued by the Ministry of Culture, Monument Protection and Sports.

The permit is a one time usage document valid for three months. According to the Law of Georgia on Licenses and Permits Fees, the permit fee is 14 GEL.

RECOMMENDATIONS

Eliminate the documentary requirement of extract from the business registry. Extract from the business registry for legal persons and signed and stamped copy of the foundation documents for the legal person under the public law is recommended to be eliminated from general documentary requirements for licenses and permits. The online state business registry is already available. It also includes the registration information for legal persons under the public law and license and permit issuing agencies should check and compare the information themselves. Elimination of this requirement will simplify and streamline

the process of issuance of licenses and permits and will save the importers and exporters time and facilitate the trade.

Amend the Law on License and Permit Fees as it relates to the license for import and export of electronic means of surveillance. The law on License and Permit Fees is currently inconsistent with the Law on Licenses and Permits. The Law of Georgia on Licenses and Permits provides for a license for import and export of electronic means of surveillance, while the Law of Georgia on License and Permit Fees provides for a permit fee instead of a license fee. It is recommended to correct this conflict.

Amend GOG Regulation No 144 on the Procedure of Issuance of Licenses and Permits with Respect to Circulation of Weapons. Based on the Law of Georgia on Weapons and Law on Licenses and Permits, the governmental resolution uses the wrong term, the registration fee, when it refers to the issuance of a permit. It is recommended to correct this oversight and use the term permit fee instead of the registration fee.

Correct the contradiction between the Law on Nuclear and Radiation Security and the GOG Regulation No 135 on Issuance of Licenses and Permits for Nuclear and Radioactive Activities. According to the Law on Nuclear and Radiation Security, a permit is valid for 3 months. According to the GOG Regulation No 135, validity is 6 months. Rules defined by the legal act prevail according to the Law of Georgia on Normative Acts. Therefore the Law on Nuclear and Radiation Security should be amended so that the validity period corresponds to the period provided in the GOG Regulation.

Amend the Law of Georgia on Export and Import Control of Armaments, Military Weapons and Dual-Purpose Products. Currently the law refers to the wrong article of the Law on Licenses and Permits for documentary requirements for issuing licenses. It is recommended to make amendments so that it refers to the Article 25 of the Law of Georgia on Licenses and Permits for documentary requirements for issuing permits and the Article 26 for decision on issuing the permit.

Determine the permit fee for non-iodized salt. Currently the Law of Georgia on License and Permit Fees does not determine the size of permit fee for import of non-iodized salt. It is recommended to introduce a legislative amendment to fill this gap.

Amend the Law on License and Permit Fees to reflect exemptions for the Permit for Bringing into or Removing from Georgia of Weapons and Armaments by the Persons Accompanying the Representatives of Foreign Countries and International Organization as Well as Other VIP Persons during Their Visits. An exemption from a permit fee made for the military forces of Russian Federation located on Georgian territory has to be referenced in the Law of Georgia on Licenses and Permit fees.

Conclusion

Licenses and permits defined for export and import activities directly serve the protection of public health and life in Georgia as well as the prevention of threats, protection of particularly important state and public interests, rational use of government resources, security and safety of living and cultural environment of population. Their introduction is absolutely justified in respect to the current government policies. However, it is advisable to make the small changes noted in the body of this report to further streamline and improve the country's licenses and permits legislation.