



Strasbourg, 19 January 2021

CDL-REF(2021)008

Opinion No. 1017 / 2021

Engl. only

EUROPEAN COMMISSION FOR DEMOCRACY THROUGH LAW
(VENICE COMMISSION)

GEORGIA

ORGANIC LAW
ON POLITICAL ASSOCIATIONS OF CITIZENS

ORGANIC LAW OF GEORGIA
ON POLITICAL ASSOCIATIONS OF CITIZENS

Consolidated Version (15.07.2020)

Chapter I – General Provisions

Article 1

1. A political association of citizens ('a party') is an independent and voluntary association of citizens established on a common ideological and organizational basis and registered in accordance with the procedure established by this Law to conduct its activities within the scope of the Constitution and the legislation of Georgia.

2. This law defines the rights and obligations of the party, its status, rules of establishment and activities, regulations related to the legality and transparency of its financial activities, as well as liability for violations of the clauses provided by this law.

3. The provisions related to the legality and transparency of financial activity under this law shall also apply to a person who has declared electoral goal and who uses relevant financial and other tangible resources to achieve it.

4. A natural person with declared electoral goal, along with the present law, shall be subjected to provisions set forth in the Organic Law of Georgia "Election Code of Georgia" for the independent candidate.

5. The provisions of this law along with the Organic Law of Georgia "Election Code of Georgia" shall regulate the campaign expenses of an election subject in order to ensure its legality and transparency".

Article 2

A party, representing an essential constitutional and legal component of a free and democratic society, shall contribute to the formation and expression of citizens' political will by participating in elections and conducting other activities permitted by the legislation.

Article 3

The following principles shall be the basis for the establishment and operation of a party:

- a) the voluntary nature of joining and leaving a political party;
- b) independence and self-governance;
- c) electivity and accountability;
- d) the equality of parties before the law;

e) the publicity of the establishment and operation of a party.

Article 4

A party shall be a non-entrepreneurial legal person. A party shall be subject to the provisions of the Civil Code of Georgia that do not contravene this Law.

Article 5

1. Any citizen of Georgia shall have the constitutional right to create a party and to participate in its activities in accordance with the Constitution of Georgia.

2. It shall be impermissible to establish and operate a party whose aim is to overthrow or forcibly change the constitutional order of Georgia, or to infringe on the independence and territorial integrity of the country, or to conduct or propagandise war or violence, or to stir up national, ethnic, religious, or social strife.

Article 5¹ – (Deleted)

Article 6

A party may not be established on a regional or territorial basis.

Article 7

1. The State shall ensure the protection of the rights and legitimate interests of a party.

2. Public authorities and officials may not interfere with a party's activities, except for the cases provided for by law.

Article 7¹

A declared intention to stand for elections is a situation where a specific person's desire to stand for elections is evident. Such declaration shall be made publicly and be directed towards the formation of public opinion.

Chapter II – Establishment of a party and the organisation of its activities

Article 8

Any citizen of Georgia with electoral rights may establish a party and participate in its activities.

Article 9

A citizen of Georgia may belong to only one party.

Article 10

1. The party membership of a person shall be terminated if he/she is enlisted in the military forces of Georgia or in the body responsible for the state or public security or is appointed to the position of a judge.

2. A person shall be considered to be in the composition of the military forces of Georgia or of the body responsible for the state or public security provided for by paragraph 1 of this article is:

- a) an employee of the Prosecutor's Office of Georgia (except for the persons employed on the basis of an employment agreement);
- b) a servant of the Ministry of Internal Affairs of Georgia;
- c) an employee of the Investigation Service of the Ministry of Finance of Georgia;
- d) a servant of the General Inspection of the Ministry of Justice of Georgia; an enforcement police officer of the Legal Entity under Public Law called National Bureau of Enforcement within the scope of governance of the Ministry of Justice of Georgia; a servant of a special division of the Special Penitentiary Service within the system of the Ministry of Justice of Georgia;
- e) an employee of the Investigation Division of the State Inspector's Service;
- f) a servant of the Defence Forces of Georgia;
- g) a servant of the State Security Service of Georgia;
- h) a servant of the Georgian Intelligence Service;
- i) an employee of the Special State Protection Service of Georgia;
- j) a servant of the State Sub-Agency Department of the Environmental Supervision of the Ministry of Environmental Protection and Agriculture of Georgia;
- k) a servant of the National Security Council.

Article 11

Membership of a party may not be restricted by reason of race, colour, language, sex, religion, or national, ethnic or social belonging, origin, property or birth status, or place of residence.

Article 12

1. For the purpose of establishing a party, a group of at least 300 persons shall convene the founding convention (conference, congress, assembly, etc.) of the party without obtaining any prior permission.
2. The founding convention shall adopt the statute of a party.
3. A founding convention shall be attended by a notary, who shall certify the minutes of the founding convention.

Article 13

1. The statute of a party shall include:
 - a) the party name and its abbreviation, if any;

- b) the legal address;
 - c) the purpose (objectives) of the party and the methods for achieving it (them);
 - d) the conditions and procedure for the admission and dismissal of party members;
 - e) the rights and obligations of members;
 - f) the organisational structure;
 - g) the procedure for establishing its managing, executive and monitoring bodies, as well as the scope of their authority and the term of their office;
 - h) the list of officials with general or special representative authority and the scope of such authority;
 - i) the sources of the formation of the property and the procedure for using such property;
 - j) the procedure and conditions for making amendments and additions to the statute;
 - k) the grounds for the termination of its activities (the reorganisation and self-dissolution procedures);
 - l) the description of the symbols, if any.
2. The statute may also include other provisions that refer to the party's activities and are not contrary to legislation in force.

Article 14

1. The name of a party, its abbreviation and symbols may not be the same as the name, abbreviation and symbols of an already registered or dissolved party if less than 4 years have elapsed since the dissolution of that party.
2. The name of a party, its abbreviation and symbols may not be used without the consent of the party.

Article 15

1. The competent bodies defined by the statute of a party shall independently make decisions on granting party membership in accordance with the procedure established by the statute. No justification shall be required for the refusal to grant party membership.
2. Any member of a party shall be free to leave the party.
3. The scope of application of disciplinary measures against party members, and the grounds justifying such measures and the bodies of the party authorised to make decisions on the imposition of such measures, shall be defined by the statute of the party.

4. A decision on the expulsion of a member from a party shall be made by the body authorised under the statute in cases determined by the statute. The decision shall be justified in writing. It may be appealed to a superior body of the party.

Article 16

1. The governing, executive and monitoring bodies of a party shall be the following: the general meeting of a party (congress, assembly, conference, etc.), the board (council, assembly (darbazi), secretariat, committee, etc.), the auditing commission (supervisory commission, monitoring commission, etc.).

2. The statute may also provide for the establishment of other bodies of the party and the introduction of new leadership positions.

Article 17

1. The governing body of a political party is the general meeting of a party which shall be the supreme representative body of a party. It shall be convened at intervals established by the statute, but at least once every 4 years.

2. Any member of a party may participate in the general meeting, except where otherwise provided for in the statute. A statute may provide for the participation in a general meeting of representatives elected by groups of party members. The maximum number of such representatives shall be established under the statute or by a decision of the board, in such a way that at least 200 representatives are elected.

3. The general meeting shall be deemed duly constituted if more than half of the members or representatives of the party are present. The statute may provide for a higher quorum.

4. The general meeting shall make decisions by a majority vote of the members present and voting, unless otherwise provided for in the statute.

5. The general meeting shall have exclusive competence in the following: adopting the party statute, making amendments and additions to the statute, electing the decision-making, governing, and monitoring bodies of the party, deciding issues related to the reorganisation and dissolution of the party, as well as other issues under this Law.

Article 18

1. The executive body of a party, called the board, shall be composed of at least 3 members elected by the general meeting for a term set by the statute.

2. The board meeting shall be deemed duly constituted if it is attended by more than half of the members of the board. The statute may provide for a higher quorum.

3. The board shall make decisions by a majority vote of the members present and voting. The statute may determine that certain issues be decided by a qualified majority.

Article 19

1. The audit body of a party, the auditing commission, shall be composed of at least 3 members elected by the general meeting for a term set by the statute.
2. The audit commission shall be deemed duly constituted if it is attended by more than half of the commission members. The statute may provide for a higher quorum.
3. The auditing commission shall make decisions by a majority vote of the members present and voting. The statute may determine that certain issues be decided by a qualified majority.
4. The auditing commission shall have exclusive competence to audit the financial and accounting documents of the party. The statute may assign other monitoring functions to the commission.

Article 20

The procedure for convening the general meeting, and for electing the board and the auditing commission, as well as for determining the scope of their competence, shall be laid down in the party statute in accordance with the requirements of this Law.

Article 21

1. A party may establish structural units (branches, representative offices, youth organisations, etc.) without the capacity of a legal person.
2. The by-laws of a unit shall be approved by the board of the party, unless otherwise provided for in the party statute.
3. If a unit conducts its activities across the entire territory of Georgia, the board of the party (the party leader) shall, within one month, submit the by-laws of the unit and the notarially certified specimen signature(s) of the authorised representative(s) of the party to the National Agency of Public Registry, a legal entity under public law (LEPL) under the Ministry of Justice of Georgia ('the National Agency of Public Registry').
4. If a unit conducts its activities within the territory of a specific administrative unit of Georgia, the board of the party shall, within one month, submit the by-laws of the unit, the statute of the party and the notarially certified specimen signature(s) of the authorised representative(s) of the party to the relevant municipal body.

Article 22

1. A political party shall be registered with the National Agency of Public Registry. The registration of a party shall include the tax registration.

1¹. The Registry of Political Associations of Citizens (Parties) is a systematic collection of data on political associations of citizens (parties).

1.² The form of the Registry of Political Association of Citizens (Parties) and the rules for its maintenance shall be established by an order of the Minister of Justice of Georgia.

2. The following documents shall be submitted to the National Agency of Public Service within one week after the founding convention has been completed:

- a) an application on the registration of the party, along with the signature(s) of the party leader(s);
- b) the minutes of the founding convention certified by a notary;
- c) a list of at least 1,000 party members, including their names, surnames, dates of birth, identification card numbers, residential and work addresses and telephone numbers and their signatures;
- d) the statute of the party;
- e) a certificate confirming the business address and the telephone number of the party;
- f) a notarially-certified specimen signature(s) of a person() authorised to represent the party;
- g) sketches of the party seal, emblem and other symbols, if any.

3. For the purpose of registering changes in the details set out in paragraph 2(e)-(g) of this article, a document(s) specified in the same paragraph and containing the updated information on the relevant fact shall be submitted to the National Agency of Public Registry.

Article 23

1. The National Agency of Public Registry shall verify the submitted documents and decide the issue of the party's registration within one month after the submission of the given documents.

2. After having reviewed the submitted documents, the registration body shall make one of the following decisions:

- a) to register the party;
- b) to refuse registration.

3. In the case of the registration of a party, the registration body shall issue a registration certificate within 7 days after the relevant decision has been made.

4. A party may be denied registration if its statute or other documents submitted for registration do not comply with the Constitution of Georgia or the requirements of this Law.

5. If a party's registration is denied, the registration body shall, within 7 days after the relevant decision has been made, notify the applicant in writing about the refusal to register and provide valid reasons for the refusal.

6. A party may, within one month, appeal a decision to refuse registration to a court.

7. If the grounds for the refusal to register a party have been eliminated, the applicant may resubmit documents for registration.

8. If a party has not been registered within the time limit prescribed under this article and the applicant has not been notified about the refusal to register, and if the documents submitted by the party comply with the requirements of this Law, the party shall be deemed to be registered and the National Agency of Public Registry shall issue a registration certificate within the following 7 days.

Article 24

1. A party shall, within 10 days, notify the National Agency of Public Registry of any amendments made to the statute of the party and/or to the data specified in Article 22 (e)-(g) of this Law that are subject to registration with the Registry of Political Associations of Citizens (Parties) and submit the relevant document(s) to the National Agency of Public Registry.

2. The grounds for registering changes shall be a decision duly adopted by the general meeting of the party unless otherwise provided for in this Law, the legislation of Georgia or the statute of the party. A general meeting held for the above purpose shall be attended by a notary, who shall certify the minutes of the general meeting. A notary need not attend the part of the general meeting that is not directly related to making decisions on issues subject to notary attestation under this paragraph; the given fact shall be indicated in the minutes of the general meeting certified by the notary.

3. Changes shall be registered in accordance with Article 23 of this Law and within the established period of time.

4. A decision made on the basis of the changes made to the statute and/or to the data specified in Article 22 (e)-(g) of this Law, which are subject to registration with the Registry of Political Associations of Citizens, shall be valid only after the registration of the given changes.

Chapter III – The property and finances of the party and the person with declared electoral goal, monitoring of their financial activities

Article 25

1. The property of a party shall be formed from:

a) membership fees;

b) donations;

c) sums allocated by the State in cases established by law;

d) the annual income generated from designing and distributing symbols, organising lectures, exhibitions and other public activities, as well as from publishing and other activities pursued according to statutory objectives; such income may not exceed twice the amount of the basic minimum funding.

2. The following shall be considered to be a donation:

a) monetary funds deposited with the party's bank account by a citizen of Georgia;

b) monetary funds deposited with the party's bank account by a legal person who is registered in the territory of Georgia and whose partners are exclusively citizens of Georgia and those legal persons registered in Georgia the final beneficiaries of which are exclusively the citizens of Georgia;

c) tangible or intangible assets (including low interest loans) and services (except for voluntary work performed by volunteers) received by a party from a natural or legal person free of charge, at discounted prices or on concessional terms.

3. The rules established for donations shall also apply to monetary funds contributed to support a party, to tangible or intangible assets or services provided free of charge, or at discounted prices or on concessional terms (except for voluntary work carried out by volunteers) whether or not the beneficiary of the given monetary funds can be identified.

4. The rules established under this Law for donations shall also apply to monetary expenses incurred for calling on persons to refrain from supporting a party, and to tangible or intangible assets or services provided free of charge or at discounted prices or on concessional terms for this purpose (except for voluntary work carried out by volunteers), whether or not the beneficiary of the given monetary funds can be identified.

5. A party may take a loan only from commercial banks operating in Georgia, which shall not exceed GEL 1 million in total over a calendar year.

Article 25¹

1. The total amount of expenses incurred by a party during the year may not exceed 0.1% of the gross domestic product of Georgia of the previous year. The given amount shall include expenses incurred by the party and by other persons for the benefit of the party, and which have been identified by the State Audit Office and which have been notified to the party concerned.

2. (Deleted)

3. The expenses incurred for purchasing expert and consulting services for a party may not exceed 10% of the maximum limit set out in paragraph 1 of this article.

4. A party may, in connection with holiday celebrations, distribute inexpensive gifts, the total value of which shall not exceed GEL 5,000.

Article 25²

1. A party may not, directly or indirectly, with the assistance of a party candidate, representative or any other person, transfer funds, gifts and other tangible or intangible assets to a citizen of Georgia (except for inexpensive, election campaign accessories such as T-shirts, caps, hats, flags and other similar things), or sell or deliver goods or services at a discount or on concessional terms, or procure goods or services at a higher price than their market price, or supply or distribute goods or services free of charge (except as provided for in this Law), or solicit citizens of Georgia by supplying or promising monetary funds, securities, or tangible or intangible assets or services (including entering into fictitious labour or other relations).

2. Moreover, no person may carry out the actions specified in paragraph 1 of this article in favour of or against any party.

3. The prohibition relating to a promise referred to in paragraph 1 of this article shall not apply to political and election promises made with respect to the future allocation of budgetary funds and the implementation of state policy.

Article 26

1. Donations may not be accepted from:

a) natural and legal persons of foreign countries, international organisations and movements, except for the organisation of lectures, workshops and other related public activities;

b) state bodies, state organisations, legal persons under public law, state-owned enterprises, except for the cases set out in this Law;

c) non-entrepreneurial (non-commercial) legal persons and religious organisations, except for the organisation of lectures, workshops and other related public activities;

d) stateless persons;

e) anonymous persons.

f) From a legal entity that does not meet the requirements set forth in Article 25 paragraph 2 (b) and Article 27 paragraph 2 of this Law

2. A person shall indicate his/her full name and personal number when making a donation.

3. Monetary funds contributed without indicating the data specified in paragraph 2 of this article shall be considered as anonymous donations. Anonymous donations shall be immediately transferred to the state budget of Georgia by the official responsible for the financial activities of the political association.

4. The requirements of paragraphs 2 and 3 of this article shall not apply to donations received from public activities. The amount of donations from public activities shall not exceed GEL 30,000 per year.

5. An official responsible for the party's financial activities shall transfer the donations from public activities to the party's account within 7 days.

6. Information on the donations received by a party, including the information containing the data specified in paragraph 2 of this article, shall be publicly available. The State Audit Office shall ensure access to the given information in accordance with the procedure established by the legislation of Georgia. The State Audit Office shall, on a monthly basis, make the information on the donations received by a party available to the public by publishing the relevant data on the web-site.

Article 26¹

1. The restrictions determined under this Chapter with respect to a party shall also apply to persons who have declared an intention to stand for elections and who use relevant financial and other tangible resources to achieve this intention.

2. If a person is held liable for a repeated violation of the rules for making donations envisaged under this Law or of regulatory norms related to vote buying, the person shall be subject to the financial transparency procedure established under this Chapter.
3. A natural person who has declared electoral goals and who, for the fulfilment of this intention, incurs expenses, shall be obliged create a special fund.
4. The purpose of the restrictions is to regulate the income and expenditure related to the electoral goals of a party and of a person who has declared an intention to stand for elections and ensure the transparency of such income and expenditure. Persons specified in this article shall be subject to restrictions only with respect to activities related to the use of financial or other tangible or intangible resources for achieving their electoral goals. The restriction shall not apply to economic/entrepreneurial activities, property rights, and other private legal rights and freedoms, unless they are related to electoral goals and/or are conducted to bypass the restrictions under the legislation of Georgia.
5. The restrictions under this Law shall not apply to international organisations and those legal persons whose aim is to promote the institutional development of parties, and whose activities are not related to supporting or refraining from supporting any political force.
6. The restrictions determined under this Law may not be applied against the freedom of expression, and/or civic engagement and/or pre-election propaganda.
7. The restrictions under this article shall be lifted on the day of summarising election results.
8. If the circumstances specified in this article no longer exist, the State Audit Office shall, on its own initiative or on the basis of an application by a person who is subject to the restrictions under this article, review the issue of cancelling the restrictions by means of a summary administrative procedure.

Article 27

1. The total amount of donations received by a party from each citizen may not exceed GEL 60,000 per year and the total amount of donations received from each legal person may not exceed GEL 120,000 per year. The annual amount of the membership fees paid by each member of a party may not exceed GEL 1,200.
2. A donor may not be a legal person 15% of whose actual annual revenue for the previous calendar year, or for the election year up to Election Day, has been received from simplified state procurements conducted for the benefit of such legal person or for the benefit of an enterprise established with the participation of such legal person.
3. A citizen or a legal person may donate sums to several parties during a year, but the total amount of such donations may not exceed the maximum limits set for them under this Law. In addition, the total amount of donations made to parties by a single beneficiary through different legal persons may not exceed the established maximum amount of donations made to a party by a legal person.
4. The restriction under paragraph 1 of this article applies to any types of donations, including services rendered for the party's goals and on behalf of the party.

5. Membership fees of a party, as well as donations made by citizens in the form of monetary funds, shall be received only by bank transfer. Donations may be transferred only from the account of a person making the donation or paying a membership fee, which is held with a commercial bank licensed in Georgia.

6. Donations made through a third person shall be transferred to the state budget of Georgia and the offender shall be held liable under the legislation of Georgia.

Article 27¹

1. A party shall submit information on receiving donations or membership fees to the State Audit Office within 5 days after the given sum has been received.

2. If the requirements of this Law are violated by receiving a donation or membership fees, the party shall return the sum to the donor or payer of the membership fee within 5 working days after the given sum has been credited to the bank account of the party. If this obligation is not fulfilled, the given sum shall be transferred to the state budget. If a party was not aware or could not have been aware of the illegality of the donation, the obligation to return the given sum shall arise from the moment when the relevant request is made by the State Audit Office.

3. If an authorised official of a party fails to perform the relevant obligation, he/she shall be held liable under the legislation of Georgia.

Article 28 (Deleted)

Article 29

State financing of the election campaigns of parties shall be regulated on the basis of the electoral legislation of Georgia.

Article 29¹ (Deleted)

Article 30 (no longer in force after the 2020 election results are published)

1. Funds allocated from the state budget of Georgia for their distribution directly to parties shall be transferred to the parties under the procedure established by this article. The right of funding a party shall originate from the day following the day when the first session of the newly-elected Parliament of Georgia is held, and from the day following the day when all summary protocols of the final results of general elections of the representative bodies of the municipalities – the Sakrebulo (local assemblies) are announced. The amount of funding for a party shall be determined by a decree of the Chairperson of the Central Election Commission of Georgia on the basis of this Law, a summary protocol of the final results of the Georgian Parliamentary elections, the information on establishing a parliamentary faction by a party and the results of general elections of the representative bodies of the municipalities – the Sakrebulo.

1¹. The information on establishing/dissolving a parliamentary faction under paragraph 1 of this article shall be communicated to the Central Election Commission of Georgia in writing immediately after the occurrence of such fact.

2. The funds allocated for a direct transfer to a party shall be received by a party which is registered with the Georgian Central Election Commission and which

a) has participated in elections independently or as part of an electoral bloc, provided that the party or the relevant electoral bloc has obtained 3%, or more than 3%, of the votes in recent parliamentary or local self-government elections (the given number of votes is calculated based on the number of votes cast in the elections held under a proportional system in the entire territory of Georgia);

b) has participated in recent parliamentary elections independently or as a part of an electoral bloc, and a majoritarian member of parliament, presented by the party or a relevant electoral bloc, has been elected and this party is represented by a faction in the Parliament of Georgia;

3. The amount of the budgetary funding allocated under this article shall be composed of the basic funding, and bonuses for each Member of Parliament elected under a proportional electoral system, and a component corresponding to the number of votes received by a party.

4. The budget funding to be received by a party shall be calculated in accordance with the following formula:

$$Z=B+(M*600*12)+(L*100*12)+(V*1,5)+(W*1)+(H),$$

Where Z means the amount of budgetary funding to be received by a party; B - the amount of basic funding; M - the number of Members of Parliament equal to 30 or up to 30 elected under a proportional system; L - the number of Members of Parliament above 30 elected under a proportional system; V - the number of votes received from up to 200,000 voters; W - the number of the votes received from more than 200,000 voters; H - a party that has been registered with the Georgian Central Election Commission for the purpose of participating in the recent parliamentary elections and whose members have been elected to the Parliament of Georgia, provided that the given party creates a parliamentary faction. For the purposes of the given formula H=GEL 300,000.

5. The minimum amount of the annual basic funding shall be GEL 300,000.

6. If a party or an electoral bloc participating in elections independently has received 6% or more of the votes cast in the recent parliamentary or local self-government elections, its basic funding shall be doubled.

7. For the purposes of the formula under this article, M and L shall be equal to zero if the term of office of Members of Parliament elected under the proportional system has been terminated in accordance with the legislation of Georgia. M and L shall also change by a respective amount (decrease or increase) if, within three months after the recognition of powers, the Members of Parliament elected under the proportional electoral system have left the party or joined a party that receives a budgetary funding under the procedure established by this Law. A party with the right to receive a budgetary funding, which a Member of Parliament elected under the proportional electoral system will leave and/or join within the period determined under this paragraph, shall immediately notify the Central Election Commission of Georgia in writing. The change in the budgetary funding to be received by the party under this paragraph shall be registered and become effective from the day following the expiry of the three-month period under this paragraph.

7¹. A party receiving funding under this article shall receive a bonus of 30% of the basic funding if, in the election list presented by this party or by the relevant electoral bloc (in the case of local self-government elections, in all party lists) at the elections based on the results of which they received funding, at least 30% of female candidates are included in the first, second and every subsequent 10 candidates.

7². The party provided for by paragraph 2(b) of this article shall receive only basic funds in the amount established by paragraph 5 of this article, as well as the funds established by paragraph 4 of this article for the creation of a faction.

8. For the purposes of the formula specified in this article, the results of the recent parliamentary or local self-government general elections shall be used at the discretion of the party and under the conditions set out in this article.

9. If for the purposes of this article the results of an electoral bloc in the respective elections are used, the number of the received votes shall be divided by the number of parties in the given electoral bloc.

10. The basic funding shall be equally distributed among the parties in the electoral bloc.

11. A party shall receive budgetary funding only on the basis of prior written consent, which shall be submitted to the State Audit Office annually, not later than 25 November. If a party fails to submit, within the specified time limit written consent to receive budgetary funding for the following year, the State Audit Office shall notify the party in writing about this fact on the second day after the expiration of this time limit. The party shall have the right to submit the relevant consent within 3 days after receiving written notice from the State Audit Office. If a party fails again to submit the relevant consent within the period established by the State Audit Office, it shall forfeit the right to receive the budgetary funding for the following year and shall be notified in writing about this by the State Audit Office. The State Audit Service shall transfer the above funding back to the state budget within 5 days after the party forfeits the right to funding.

12. In order to provide financial support to the election campaigns of political parties during the year of general parliamentary and local self-government elections, additional funding shall be allocated from the state budget of Georgia to cover TV advertising costs. This funding may be used for TV advertising only, from the date when the respective general elections are called up to election day, and in the case of a repeat vote, a second round of elections or re-run elections, before the day of the respective voting. The funding under this paragraph shall be received only by parties that have become eligible for funding according to the results of the recent general elections. The amount of funding allocated to a party under this paragraph shall be calculated by multiplying the number of votes obtained by the relevant electoral subject in the recent general elections by three and dividing it by the number of political parties within the electoral subject. In addition, the amount of funding allocated to a party and electoral bloc (despite the number of parties in the bloc) participating independently in the elections may not exceed GEL 600,000. At least 15% of the funding allocated to an electoral subject shall be used for pre-election advertising with at least 7 broadcasters, which do not represent national broadcasters.

Article 30 (Effective immediately after publishing the results of 2020 elections)

1. The state budget of Georgia shall annually allocate funds for financial support of party activities and development of the party system.

2. The party shall be qualified to receive money from the state budget of Georgia, if the party has obtained at least 1 percent of valid votes in recent parliamentary elections.

3. The party shall annually receive funds from the state budget based on the last parliamentary elections in amount of 15 GEL per valid vote for the first 50 000 votes, while 5 GEL for every following valid vote.

4. A party shall receive budgetary funding only on the basis of prior written consent, which shall be submitted to the Central Election Commission annually, not later than 25 November. If a party fails to submit, within the specified time limit written consent to receive budgetary funding for the following year, the Central Election Commission shall notify the party in writing about this fact on the second day after the expiration of this time limit. The party shall have the right to submit the relevant consent within 3 days after receiving written notice from the Central Election Commission. If a party fails again to submit the relevant consent within the period established by the Central Election Commission, it shall forfeit the right to receive

the budgetary funding for the following year and shall be notified in writing about this by the Central Election Commission. The Central Election Commission shall transfer the above funding back to the state budget within 5 days after the party forfeits the right to funding.

Article 30¹ (Deleted)

Article 31

1. The state funding specified in Article 30 of this Law shall be issued after the Georgian Central Election Commission announces the final results of the relevant elections.
2. Budgetary funding shall be transferred to a party's account on a monthly basis, in the amount of 1/12 (one twelfth) of the total budgetary funding of the party.
3. If a party becomes eligible for budgetary funding during the year and at least 6 calendar months are remaining until the end of the year, the party shall be granted the full amount of the budgetary funding for the given year and the sum shall be distributed proportionately over the remaining months. And if less than 6 calendar months are remaining until the end of the year, the party shall be financed only for the remaining months in accordance with the procedure established by paragraphs 1 and 2 of this article.
4. If a party refuses to accept the funds specified in Article 30 of this Law, the funds shall be transferred to the state budget.

Article 32

1. Before 1 February of each year, parties shall submit to the State Audit Office financial disclosure statements of the previous year along with the auditor's (auditing firm's) report. The copies of the financial disclosure statements along with the copies of the auditor's (auditing firm's) report shall be sent to the local tax authority according to the legal address of the party. The disclosure statement shall include the annual income of the party (including the amounts of membership fees and donations, the identities of citizens who paid membership fees, information on citizens and legal persons who made donations, sums allocated by the state or those received as a result of publications and other activities of the party); it shall also include the expenditure of the party (incurred for elections, for funding various activities, for remuneration, business trips and other expenses), as well as reports on property ownership (the number and type of owned buildings and vehicles, their total value, the amount of funds in their bank accounts).
2. A party's financial disclosure statement shall separately present the income and expenditure statement of funds used for elections.
3. The State Audit Office shall make the financial disclosure statement of a party/electoral subject available to all interested persons and ensure the publication of the given statement on the relevant web-site within 5 days after its receipt.
4. A party shall include in its annual financial disclosure statement the expenses incurred by a person subject to the restrictions under Article 26¹ of this Law related to the electoral goals and activities of the party. Such expenses shall not include the expenses incurred by persons specified in Article 26¹(4) for the provision of institutional support to the party.

5. The form of a party's annual financial disclosure statement and the auditing standards for party financing shall be established by the State Audit Office.

6. A party shall keep financial disclosure statements and all associated documents for 6 years, and shall perform the obligations under the tax legislation of Georgia with respect to maintaining and storing source documents.

7. A party whose annual turnover does not exceed GEL 10,000 may submit an annual financial disclosure statement without an auditor's report.

Article 32¹

Once every three weeks after the day of calling an election, all parties that take part in the election independently or within an electoral bloc shall submit a financial report to the State Audit Office in a form established by the State Audit Office.

Article 32² (Deleted)

Article 33

1. A party, except for the parties specified in Article 32(7) of this Law, shall be required to conduct an annual financial audit of its activities.

2. For the purpose of conducting a financial audit of its activities, a party may apply to any independent auditor who complies with the standards established by the State Audit Service.

3. A report of an independent auditor on the finances of a party shall be submitted to the State Audit Office.

Article 33¹ (Deleted)

Article 34

If a party fails to submit in a timely manner a financial disclosure statement to the State Audit Office, the State Audit Office shall warn the party in writing and request the rectification of the failure within 5 days. If a party fails to submit the financial disclosure statement within the specified 5 days to the State Audit Office, it shall forfeit the right to receive state funding under Article 30 of this Law for the following year.

Article 34¹

1. The State Audit Office shall carry out monitoring over the legality and transparency of a party's financial activities.

2. The State Audit Service may:

a) develop the form of an annual financial disclosure and election campaign fund statement of a party;

b) establish auditing standards for party financing;

c) examine the completeness, accuracy and legality of a party's financial disclosure statement and of the account of the election campaign fund;

c¹) To use electronic document turnover system and electronic signature when exercising the monitoring powers of financial activities provided by this law. The electronic document and its printout shall have the same legal power as the written document

d) conduct an audit of a party not more than once a year;

d¹) in the case of a reasonable doubt as to the lawfulness of the activities of a party, apply to a court with a request to conduct an unscheduled financial audit of the party;

e) ensure the transparency of a party's funding;

f) for the monitoring purposes, request information on party financing from the party, from administrative bodies and commercial banks;

g) where necessary, request, on the basis of a court decision, information on the finances of donors, both natural and legal persons, who make donations to partiesh) provide consultations on party financing to interested persons;

i) respond appropriately to violations of the legislation related to party financing and apply sanctions established by law;

j) apply to prosecution authorities where elements of a crime are identified;

k) request a financial report from a person if there is a reasonable doubt as to the existence of circumstances specified in Article 26¹;

l) make a decision on the application of restrictions set out in Article 26¹ of this Law to a person through a summary administrative procedure. Upon the request of the party, a copy of this decision shall be made available to the party before 6 p.m. of the following day;

m) develop the methodology for monitoring a party's financial activities;

n) exercise other competences established by law.

3. If there is a reasonable doubt as to the violation of the requirements of this Law, relevant state bodies shall notify the State Audit Office.

4. If the State Audit Office applies to a court in accordance with paragraph 2(g) of this article, the court shall render a decision within 48 hours after the receipt of the application. The application of the State Audit Office shall be justified and indicate the grounds and purpose for requesting the information, as well as the period and volume of the requested information. If the court grants the request, the court decision shall indicate the grounds and purpose for requesting the information, as well as the period and volume of the requested information and the validity period of the decision.

Article 34²

1. Acceptance and/or non-disclosure of donations or membership fees prohibited under the legislation of Georgia by a party/election subject or a person with declared electoral goals - shall result in the transfer of the prohibited donations or membership fees to the state budget and the imposition of a fine equal to twice the amount of the prohibited donations or membership fees on the party/election subject or a person with declared electoral goals.

2. Contribution of donation, membership fee or expenses provided for in paragraphs 3 or 4 of Article 25 of this Law in violation of the requirements established by this Law, by a natural or legal person, or by an association of natural or legal persons, or by any other type of organizational entity when the party, election subject, or person provided for in Article 26¹ Paragraph 1 of this Law, who received a donation, membership fee, or whose support has been incurred, or who may benefit from refraining from expenses supporting other political forces, was not or could not have been aware of the violation-

shall result in the imposition of a fine equal to twice the amount of the forbidden donations, membership fees, expenses on the person who contributed prohibited donations, membership fees, expenses and on the person (if any), who transferred prohibited donations, membership fees, expenses through a third person.

3. Acceptance or non-disclosure by a person of prohibited donations or membership fees for the benefit of a party/election subject or a person with declared electoral goals - shall result in the imposition of a fine on the person equal to twice the amount of the forbidden donation or membership fee.“

4. The failure by a party or a person specified in Article 261(1) and (2) of this Law to fulfil the requirements and obligations under this Law shall result in a fine of GEL 5,000.

5. Failure to fulfil the statutory obligation related to the provision of information specified in this Law upon the request of the State Audit Office shall result in a fine of GEL 1000 for a natural person, and GEL 2,000 for legal persons, while GEL 5000 for qualified party 6. Violation of the requirements set out in Article 25² of this Law, as well as the receipt of unlawful gifts, income and services for electoral purposes by a natural person, if the cost of the given property (services) or transaction does not exceed GEL 100, shall result in the imposition of a fine on the party, party representative or legal person in question, equal to 10 times the value of the relevant property (services) or transaction, and the imposition of a fine on the natural person in question equal to twice the value of the relevant property (services).

6 (Deleted)

7. (Deleted)

8. Violation of the requirements set out in Article 25¹(1) shall result in a fine equal to twice the amount of the expenses incurred in excess of the maximum limit. “

9. Any action specified in paragraphs 1 to 8 of this article, committed repeatedly or by one person though different natural or legal persons, shall result in a fine equal to twice the amount of the penalty established under the respective paragraph, while in case of repetition of the action after the received warning, with the amount of the fine provided for in the respective paragraph

10. Liability under this article may be imposed on a person for up to 6 years after the commission of the relevant act.

11. In the case of an administrative offence specified in this article, an authorised person of the State Audit Office shall draw up an administrative offence report, which shall be promptly submitted to a district (city) court of Georgia for consideration.

12. If there are circumstances that may hinder the execution of statutory penalties applicable to violations, the State Audit Office may, in addition to drawing up an administrative offence report, seize the property (including bank accounts) of a party and/or of a person in proportion to the sanction envisaged for the relevant offence. The seizure shall enter into force immediately and shall be submitted to the court for approval along with the administrative offence report.

13. The court shall, within 15 days after receiving the relevant materials, review the issue of approval of the administrative offence report and render a decision. The court decision may be appealed only once to the Court of Appeals within 10 days after the service of the court decision. The Court of Appeals shall render a decision not later than 15 days after the receipt of the appeal. The decision shall be final and subject to no appeal.

14. During a pre-election period, the court shall review the issue of approval of the administrative offence report specified in paragraph 11 of this article and render a decision within 5 calendar days after the receipt of the relevant materials. The court decision may be appealed only once to the Court of Appeals within 72 hours after the service of the court decision. The decision shall be final and subject to no appeal. The court shall submit the justified decision and case materials to the party not later than 12 p.m. on the day following the day when the decision is rendered.

15. A court shall, not later than 48 hours after the submission of the relevant materials, review the issue of imposing seizure for the administrative violation specified in paragraph 12 of this article and render a decision. The court decision may be appealed only once to the Court of Appeals within 48 hours after the service of the court decision. Appealing a decision shall not suspend the execution of the seizure. The Court of Appeals shall render a decision not later than 48 hours after the receipt of the appeal. The decision shall be final and subject to no appeal. The court shall submit the justified decision and case materials to the party not later than 12 p.m. on the day following the day when the decision is rendered.

16. For the purposes of this Law the following forms of donation or membership fees shall be deemed as prohibited:

- a) Donations, membership fees, expenses incurred in violation of the rules established by this Law;
- b) The full amount of the donation, membership fee, expenses incurred by the unauthorized person defined by this Law;
- c) The amount of the donation, membership fee, expenses incurred by the authorized person in excess of the limits defined by this Law;
- d) A donation / membership fee, expense made by an authorized person under this law using unjustified assets.”

Chapter IV – Termination of Party's Activities

Article 35

A party may be banned only by a decision of the Constitutional Court of Georgia in cases and in the manner prescribed under this Law.

Article 36

The Constitutional Court of Georgia may ban a party that aims to overthrow or forcibly change the constitutional order of Georgia, or to infringe on the independence and territorial integrity of the country, or to

propagandise war or violence, or stir up national, ethnic, religious, or social strife or that is forming or has formed an armed group.

Article 37

1. The activities of a party may also be terminated by reorganisation (mergers, alliances, splits) or dissolution.
2. A party shall be reorganised by a decision of the general meeting of the party, and a new party (parties) established after the reorganisation shall be registered in accordance with the procedures established by this Law.
3. In the case of reorganisation, the property of a party shall be distributed in accordance with the established procedure by a decision of the general meeting of the party.
4. A party shall be dissolved by a decision of the general meeting in accordance with the established procedure.

Article 38

The property left after the banning or dissolution of a party shall be transferred to the state treasury.

Chapter V – Transitional Provisions

Article 39

1. Parties registered in accordance with the Law of the Republic of Georgia on the Political Association of Citizens of 10 August 1991 shall be subject to re-registration in accordance with the requirements under this Law before 1 March 1998.
2. The requirements under Article 12 and Article 22(2)(b) of this Law shall not apply to parties in the case of re-registration.
- 3-6. (Deleted).
7. The procedure set out in Article 30(10) shall not apply, until 1 January 2011, to parties that receive state funding based on the results of elections held before 1 October 2007.
8. (Deleted).
9. The procedure established under Article 30(6) of this Law shall apply to the results of elections conducted after 1 October 2007.

10. Parties shall, not later than 31 January 2009, submit prior written consent for receiving the budgetary funding for 2009 to the Georgian Central Election Commission.

11. The seven electoral subjects with the top results in the parliamentary elections of 1 October 2012, which are not presented in the parliament of Georgia, shall be granted a lump sum equal to 50% of the basic funding. Such electoral subjects may receive funding only on the basis of prior written request, which is to be submitted to the State Audit Office within 20 days after the entry into force of this paragraph. If a party fails to submit the relevant request within the established time limit, it shall forfeit the right to receive the funding and shall be notified in writing to that effect by the State Audit Office.

12. The monetary funds specified in paragraph 11 of this article shall be given to the relevant subjects within 1 month after the entry into force of this paragraph.

Article 39¹

1. A party receiving funding as set forth in the Article 30 on the basis of parliamentary elections held before 2028, shall receive a bonus of 30% to eligible funding as prescribed by the paragraph 3 of this law, if in the election list presented by this party the recent parliamentary elections, at least one person in every three will be of the opposite sex.

2. If the party participated in the parliamentary elections before 2024 within a bloc, the total amount to be received from the state budget by all parties in the electoral bloc shall be determined in accordance with Article 30 of this Law and the rules established by paragraph 1 of this Article of this Law, in accordance with the votes received in the proportional run by the election bloc and this total amount is divided equally among the parties in the election bloc unless otherwise determined by the statute of the bloc. At the same time, only the parties in the election bloc that have overcome the relevant electoral threshold established by the Constitution and legislation of Georgia will receive money from the state budget.

Article 39²

Before January 1, 2024, the State Audit Office is obliged to provide all interested parties with the information related to the financial declaration of the party / election subject and the election campaign fund account, as well as to ensure that it is published on their respective websites within 5 working days after receipt.

Chapter VI – Final Provisions

Article 40

This Law shall enter into force upon its promulgation.

Article 40¹

Article 26(3) of this Law shall enter into force from 1 January 2009.

Article 41

The Law of the Republic of Georgia on Political Associations of Citizens of 10 August 1991 shall be deemed void after the entry into force of this Law (the Gazette of the Supreme Council of Georgia, 1991, No 8, Art. 591).

President of Georgia

E. Shevardnadze

Tbilisi

31 October 1997