



**SECRETLY CONCLUDED AGREEMENTS  
AGAINST THE ENVIRONMENT**

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## PREAMBLE

In Georgia, fundamental rights and freedoms, including the rights of people to live in healthy environment, to enjoy natural and cultural surroundings and receive complete, objective and timely information as to a state of their working and living environment are guaranteed by the constitutional norms. The key part of the current environmental legislation was developed in the late nineties. Although it had been amended from time to time, until recently the key principles and approaches remained unchanged.

After the Rose Revolution in 2003, the government policy directed to economic liberalization has exerted its influence on the legislation regulating the environmental protection and management of natural resources. Most of the legislative amendments were related to the government policy aiming at full economic liberalization and deregulation as well as the willingness to increase the budgetary revenues by all possible means (including through maximum exploitation of natural resources). Besides the fact that these amendments were implemented non-transparently and without consultations with all stakeholders, they were aimed at minimizing the existing possibilities of raising public awareness and their participation in a decision making process.

Furthermore, proper law enforcement has remained an insuperable obstacle, as under conditions of strong patronage in the state structures, it provided the enterprises with an opportunity of environmental pollution without assuming any responsibility for it. After March 2011, when the environmental monitoring functions were distributed between the Ministry of Environment Protection and the Ministry of Energy and Natural Resources, this sphere descended into deep chaos.

In early 2012 the situation in terms of monitoring the environmental protection and management of natural resources reached its limits so that any further aggravation seemed to be impossible, but... In March 2012 the Parliament of Georgia adopted the law, according to which in exchange for paying compensation in favor of the state, a person will be discharged from liability for the violations committed in the sphere of environmental protection and natural resources. The country, which tops the world rankings in terms of democratic development and combating corruption, has adopted the law, which contradicts the Georgian constitution, undertaken international commitments, all key environmental principles secured or defined by international and national environmental legislation. In addition, the law contains environmental, corruption, economic, social and political risks and threats.

While adopting the law, the public agencies were arguing that agreements could only be concluded on minor violations and that it was the only solution to protect small enterprises

against bankruptcy. However, as it turned out later, the very first agreement was concluded with one of the largest enterprises of the country (that, simultaneously, are the largest environmental polluters) – Madneuli JSC and Kvartsiti Ltd.

## LAW FOR UNLAWFUL AGREEMENT

On March 20, 2012 the Parliament of Georgia adopted the law<sup>1</sup>, which allows for concluding an agreement between an offender (who is called “an interested person” in the law) and the Ministry of Energy and Natural Resources of Georgia, which, in exchange for paying compensation in favor of the state, will discharge the interested person from liability for the violations committed in the sphere of environmental protection and natural resources. The Ministry of Energy and Natural Resources has the right to agree or refuse to conclude an agreement without any substantiation. In case of the Ministry’s consent, a relevant application is sent to the Prime Minister, who makes a final decision on concluding an agreement. Noteworthy that although the agreement deals with the violations committed in the sphere of environmental protection and natural resources, the Ministry of Environment Protection is not involved in the process.

The law does not specify the criteria under which the request of an interested person for concluding an agreement should either be met or rejected.

The law does not specify the criteria as well as the form in which the compensations envisaged by the agreement should be calculated.

The law does not give a clear-cut explanation about which particular violations in the sphere of environmental protection and natural resources can be covered by the agreement. We can talk about the essence of wrongdoings only by the amendment made to the Code of Administrative Offences of Georgia pursuant to the law, according to which administrative procedures cannot be launched, whereas the commenced case should be suspended for the wrongdoings envisaged by a number of articles of the code, if by the period of committing a violation, a person had concluded an agreement in the sphere of environmental protection and natural resources. In particular, according to the amendment to the Code of Administrative Offences, any wrongdoing in the sphere of environmental protection and natural resources, from arbitrary painting any symbols and inscriptions on building facades to carrying out any activities without environmental impact permits (see the total list of offences in Annex I of the report), can be considered lawful in case the relevant agreement has been concluded.

It should be noted that the law bans examining the activities of an offender who has signed the agreement during the period envisaged by the agreement, also imposing civil and/or

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<sup>1</sup> The Law on Making Amendments to Some Legislative Acts of Georgia, [www.matsne.gov.ge](http://www.matsne.gov.ge), registration code: 360000000.05.001.016640

administrative liabilities, including fines and/or compensation of damages as well as any other liabilities or taxes.

The law does not specify the term of validity of the law. The agreements concluded under the law may apply to the illegal actions committed both before and after adopting the law.

The law specifies that based on the agreement, certain privileges should be introduced “over the period of the agreement,” that is not defined by the law itself and should be specified individually, in each particular case, by the Ministry of Energy and Natural Resources of Georgia, on the basis of the decision by Georgian Prime Minister. The law does not explicitly define that granting the status of the so called “agreement period” may only apply to the period of time before signing the agreement. According to the current formulation, the content of the law does not rule out the probability that the status of “agreement period” may be granted to the period of time after signing the agreement and apply to the illegal actions committed after signing the agreement.

It should also be noted that the agreement is concluded for an unlimited period and the law actually provides no possibility for appealing against it (except of those cases, when it has been signed by an unauthorized person). The agreement can be abolished only in case of violating the terms of agreement by the interested person, party to the agreement. Violation can be expressed in incomplete and improper payment of the amount envisaged by the agreement, as well as non-fulfillment of other obligations, if the possibility of termination of the agreement in such case is envisaged by the agreement itself.

Although the law provides for releasing a person from administrative and civil liability on the basis of an agreement, in some cases it does not rule out the possibility of avoiding criminal liability. For example, article 306 of the Criminal Code of Georgia stipulates: “Performance of the activity, which under law belongs to category one in accordance with scale, importance and impact on environment, shall be punishable by administrative fine or by corrective labor for up to a two-year term or by imprisonment for up to three years in length”. Owing to the agreement concluded under the law, if an administrative fine is not imposed on a person upon committing such act for the first time, in case of committing similar violation repeatedly, it will be impossible to impose criminal liability envisaged by article 306 of the Criminal Code (because according to article 306 of the code, it is allowable only after imposing an administrative fine). Accordingly, in case of concluding an agreement envisaged by the law a person may indirectly avoid criminal liability.

The Parliament of Georgia adopted the Law on Making Amendments to Some Legislative Acts of Georgia without demanding the substantiation of the reasons for adopting the law and it got satisfied only with the vague provision provided in the explanatory note. In particular, the explanatory note of the draft law reads: *“Under the submitted draft, an agreement shall be concluded between the Ministry of Energy and Natural Resources of Georgia and an interested*

*person in the sphere of environmental protection and use of natural resources. In case of concluding the agreement, any action committed by the person in the sphere of environmental protection and use of natural resources within the period envisaged by the agreement will be considered lawful.”*

This “argument” indicated in the explanatory note fails to reflect the reason for adopting the law, since its content actually does not contain an explanation about “the reason.” It does not focus on the necessity of the draft law or any important problem, solution of which required adoption of such law.

While analyzing the law, we have come to a conclusion that in the history of Georgian law, probably this is the rarest legislative act, which, in its current form, is fundamentally incompatible even with the idea of environmental protection and therefore, it is unacceptable for the society of the 21<sup>st</sup> century. The law contradicts the Constitution of Georgia, its international commitments, as well as the principles strengthened by international and national environmental legislation and contains important risks of environmental, corruption, economic, social and political nature.

## BEFORE ADOPTION OF THE LAW

The Aarhus Centre Georgia<sup>2</sup> reported on March 14 2012 that the Ministry of Energy and Natural Resources submitted to the Parliament of Georgia the draft law allowing the conclusion of agreements in the sphere of environmental protection and natural resources. Certain amendments were planned to be made to the Law on Environmental Protection, the Criminal Code of Georgia<sup>3</sup>, the Code of Administrative Offences of Georgia and the Law on Executive Procedures. According to the same report, the draft law was planned to be discussed by the parliamentary committee on April 3-6, 2012 and by the plenary session – on April 10-13, 2012.

On March 15, 2012 the Aarhus Center published its own position on the draft law, which said:

*“Amendments will be in conflict with the Georgian Constitution which stipulates that “Everyone has the right to live in the healthy environment” (Article 37). In addition the draft law is not in compliance with obligations undertaken by the Government of Georgia under the different international treaties including the Aarhus Convention. Specifically, undertaking an activity without an Environmental Impact Permit and Environmental Impact Assessment (required by Permit procedures) undermines possibility of public participation in environmental decision making process which violates Article 6 of the Aarhus Convention. Obligation on ensuring access to information stipulated by the Articles 4 and 5 of the Convention is also violated so that exempting the interested party from the Environmental Impact Assessment procedures and the obligations of statistical reporting on emissions and discharges will lead to limiting information on state of the environment. It is also noteworthy that the proposed draft law limits the Convention guaranteed right of citizens to have an access to justice (Article 9) since the draft law excludes the possibility to appeal against the aforementioned agreement. In other words, public is deprived the right to challenge in court legality of environmental decisions*

*It should be mentioned, that public participation was not ensured during the preparation of this draft law as required by the Article 8 of the Aarhus Convention stating that the country shall strive to promote effective public participation during the preparation of executive regulations and other generally applicable legally binding rules that may have a significant effect on the environment. According to the same Article participation should occur at an appropriate stage,*

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<sup>2</sup> Aarhus Centre Georgia was established in 2005 as a joint initiative of the Organization for Security and Cooperation in Europe Mission to Georgia and the Ministry of Environment Protection and Natural Resources of Georgia. The aim of the Aarhus Centre is to facilitate implementation of the Aarhus Convention at the local level and thus promote access to environmental information, public participation in environmental decision-making and access to justice. [www.aarhus.ge](http://www.aarhus.ge)

<sup>3</sup> As it appeared later, by then the Parliament of Georgia had already adopted the draft law with the first hearing.

*when options are still open*

*And finally, adoption of the proposed draft law, may lead to significant and irreversible damage to the environment and at the same time, it may increase risks of potential conflicts between the public and private sector”.*

As it turned out later, the draft law was submitted to the Parliament on March 9, 2012, while on March 13 the Parliament already discussed it and 68 lawmakers approved it with its first hearing unanimously.

The fact that the Parliament discussed the draft law covertly and hastily caused no surprise. However, the content of the draft law triggered serious concerns among the civil society. Public anxiety and criticism prompted the Parliament to work at Olympic speed and while the civil society was trying to clarify the content and make a legal assessment, expressing protest over the planned adoption, on March 20, 2012 the Parliament approved the draft law with all the three hearings<sup>4</sup>.

On March 23, 2012 a group of civil society organizations held a rally outside the Georgian President’s residence calling on the President to veto the draft law; on the same day, an appeal was sent to the President containing the same demand. However, the calls of civil society organizations did not prove convincing for the President... The President signed the bill into law as a result of which the Law on Making Amendments to Some Legislative Acts of Georgia came into effect on March 30, 2012.

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<sup>4</sup> The Parliament approved the draft law with its first hearing on March 13, 2012 (69 – in favor; 0 – against); second hearing – March 16 (65 – in favor; 0 – against) and third hearing – March 20 (89 – in favor; 8 – against – Nugzar Abulashvili; Jondo Bagaturia; Tamaz Diasamidze; Karlo Kopaliani; Dimitri Lortkipanidze; Petre Mamradze; Roman Marsagishvili; Giorgi Tsagareishvili); see voting results at [www.parliament.ge](http://www.parliament.ge)

## POSITION OF THE MINISTRY OF ENVIRONMENT PROTECTION

The state agencies officially responded to the concerns of civil society organizations and interested citizens only after the Parliament adopted the draft law. On March 21, 2012, four hours before the planned meeting, the Ministry of Environment Protection invited all interested persons to the Ministry through social network and its own website “to talk about the issue and provide accurate information on it.” The meeting actually yielded no results – the Minister tried to convince the audience that the draft law applied only to previous violations and that it was impossible to save Georgian enterprises without this draft law. The arguments cited by the Minister proved unconvincing for the majority of participants. Later, the Minister accused the participants of the meeting of “hypocritical attitude”, as they did not accept the Minister’s proposal to submit their remarks on already adopted law in writing. It should be noted that by the period when the Minister made such statements, legal assessments and remarks of a number of organizations (including the Aarhus Centre) had been sent to the agencies involved in the process of adoption of the law, while the request of civil society organizations to assist in suspending the operation of the law had been sent to Georgian missions of foreign countries and international organizations, since all other means of influence on the state agencies had already been exhausted.

In April 2012 the Minister of Environment Protection tried again “to satisfy public interest” and made a lengthy explanation about the law in the interview with Liberali magazine<sup>5</sup>. Unfortunately, a printed version of the interview was not published. But there exists a video recording released by the Ministry of Environment Protection. Since there exist no documents reflecting the positions of the Environment Minister/Ministry, below we will offer several quotations from the interview.

When asked why he invited the interested citizens to the meeting only after the law was adopted and not before it, when it was still possible to discuss the law, the Minister responded:

*“A lot of amendments are being made to the law, to various legislative acts, and I do not know... People are either involved in some of them at their own desire or not. Generally, I should say that the society is very inactive in respect of the environmental legislation, except of the cases, when they need to portray a terrible picture and so on, and to create a scandal out of it; concrete marginal organizations are doing it; I think so and I am absolutely confident about it, and I asked you to come because I wanted to explain it to you that these amendments have triggered an absolutely inadequate reaction from certain groups. So, I have an impression that they either have not read the law or read it inattentively; I do not know whether it was misinterpreted*

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<sup>5</sup> A video recording is available at <http://www.youtube.com> titled “MoE: Questions to Goga Khachidze”. A video recording has been released by the Ministry of Environment Protection on April 25, 2012.

*wittingly or unwittingly.”*

*“I did not have any desire; neither had they; when a huge interest arose, we contacted<sup>6</sup> all of them and invited them...”*

The Minister also says in the interview that no agreement will be concluded in the sphere of environmental protection and natural resources if there is a threat of significant impact on the environment.

*“One very important issue, a very important issue, which, by some reason, remained beyond everybody’s attention... As soon as the harm and damage cross the margin, from where the criminal liability starts and this margin is extremely low, for example ... and this margin is regulated by my order, which already exists... This is the order dated February 2, 2011<sup>7</sup>.... And the margin is extremely low.*

*For example, a significant environmental damage will be estimated at GEL 1000 and above it... I mean the inflicted loss... and this is the margin above which it is meant that a criminal liability will be imposed. For example, environmental damage will be estimated at GEL 1000 and above, for example GEL 2000; It means that as soon as the inflicted damage in various aspects, such as soil, water, air, forest and so on, goes beyond this margin and this margin is extremely low, GEL 1000 or 2000... in certain cases GEL 10 000, so as soon as a significant damage is inflicted, then criminal liability is imposed and no such agreement will exist anymore.”*

It should also be noted here that according to the order mentioned by the Minister, *“calculation of damage caused to the environment is carried out in all those cases, when an authorized agency learnt about real harm inflicted on the environment by the action (inaction) of the regulating agencies as a result of violation of legal norms”*. An agreement in the sphere of environmental protection and natural resources is concluded in a definite period of time for legalizing ALL THE ACTIONS carried out by a person, including those actions, about which an

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<sup>6</sup> Nobody has invited Green Alternative to a meeting.

<sup>7</sup> Apparently, the Minister means Order 2 by the Minister of Environment Protection and Natural Resources dated February 2, 2011 on “Approving the Method of Calculation of Environmental Damage”. The aim of this method is to define the rule of calculation of the damage caused to the environment as a result of violation of legal norms set by the Georgian legislation, envisaging the harm caused to the environment in the process of utilization of natural resources and/or economic activities as well as the incomes, which the state failed to receive and which it would have received in case of due fulfillment of legal norms envisaged by Georgian legislative acts.

authorized body has no information and respectively, the damage caused to the environment has not been assessed.

The Minister of Environment Protection also explained the goal of adoption of the law:

*“Making amendments to the law has the only goal – to have a relatively flexible mechanism in order to enable a particular agency, with the consent of the Prime Minister, to act more flexibly over this or that violation, which falls within the framework of this agreement and not those violations, which already fall under criminal liability.... For example, there exists a facility and there are certain doubts that polluted water has been discharged but this fact cannot be proved because it is already impossible to ascertain this fact... But there is something.... Some indirect confirmations ... it means that the mechanism of calculation may be very difficult in this case, extremely difficult. There exists more flexible mechanism in order not to have two options... either we should close down the facility or impose an inadequately high tax that may directly lead to its closure... But if this becomes necessary, it can be closed down.....”*

*“Let’s look at the situation really; we do not have the legacy when all the facilities or most of these facilities meet a lot of environmental parameters. Thousands and tens of thousands of people are employed in these facilities. I do not try to portray a certain picture why I am not doing it. This is a typical reality which we know quite well. If we say now that this is not so and we have received a brilliant reality instead of destructed enterprises, which should gradually get to their feet and develop... So, this is how the land lies. They are given a chance to reach an agreement. So, we are telling them, ‘I will impose this reasonable, adequate fine on you today’; and simultaneously, it is written there that some other actions may also be imposed on them. For example, you can write down in the agreement that a facility should replace a filter within six months. For example, I agree with you that during these six months you should transfer a certain sum to the budget and also replace a filter. In exchange, I will give you a guarantee that your facility will not be closed down for the violations committed and thousands of your employees will not have to go home. Since, I cannot ascertain how much you have discharged over the past years, and since the fine may cause your closure, I simply tell you to pay a certain fine to the budget and you will have to meet this requirement within a certain period of time. In exchange, I also tell you that what has happened to you during this period is over and you can start everything anew, of course, if you meet the requirements. Nobody will inspect you during this six-month period; nobody will demand anything from you; you simply need to meet the requirements.”*

*“To tell the truth if some non-governmental organizations and some groups had not portrayed this amendment in a different manner, it would have been a simple, not so important amendment, providing a certain mechanism over an insignificant issue in order to make it slightly more flexible.”*

*“This is a small insignificant mechanism, which enables to eradicate all those uncertainties,*

*which we have inherited as a result of hard economic problems.”*

The Minister explained for several times that the scale of damages caused to the environment would be used as the criteria for concluding an agreement and in case of significant damages to the environment, no agreement would be concluded at all. It is, however, unclear what prompted the Minister to make such statements because no such restrictions are envisaged either by the law or by the provision<sup>8</sup> on the rule and conditions of concluding an agreement adopted on the basis of the law. Moreover, the law does not require assessing the damages inflicted on the environment. Thus, the Minister either failed to understand the essence of the law, or he was deliberately cheating.

The Minister was convincing the reporter that the process of concluding an agreement would be public, the information would be available to everyone and he would personally take measures to make the text of the agreement available to the public; he also claimed that each person would be able to look into the agreement and see what particular violations were committed and what amount of fine was imposed for these violations.

When asked by the reporter what those violations would be on which an agreement could be reached, the Minister responded:

*“Let’s hold a public discussion over the very first agreement and see how it will work in practice.”*

Unfortunately, after concluding either the first or the second and third agreements<sup>9</sup>, the Minister did not keep his promise to provide the availability of the text of the agreement to the public. Furthermore, the Minister did not express any willingness to hold public discussions and discuss the existing practice.

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<sup>8</sup> Decree 154 of the Government of Georgia dated April 24, 2012 on the Rule and Conditions of Concluding an Agreement in the Sphere of Environmental Protection and Natural Resources; [matsne.gov.ge](http://matsne.gov.ge), 30/04/2012, registration code: 360010000.10.003.016827

<sup>9</sup> Three agreements were signed during the operation of the law.

## POSITION OF THE MINISTRY OF ENERGY AND NATURAL RESOURCES

On March 23, 2012 the Ministry of Energy and Natural Resources posted an explanation on its website, accusing the non-governmental organizations of misinterpreting the already adopted draft law<sup>10</sup>. Furthermore, in its explanation the Ministry did not provide any arguments or statistics, which would have proved the urgency of adopting the law, the correctness of regulation offered by the draft law or would have allayed the concerns of civil society organizations.

### ***“Interpretation for the Georgian law project on “Changes in several legislative actions”***

*{by Ministry of Energy and natural Resources}*

*As a result of information and statements of the Non-profit Organizations Georgian law project on “Changes in several legislative actions” (the changes going to be in the Georgian Law on “Environment protection”) was unfaithfully understood, so several norms of the project are wrongly interpreted. According to this information and statements made by the Non-profit Organizations are not close to the reality and they are not corresponding to the legislative heard third time by the Georgian parliamentary. First of all it should be designated that the agreement, foreseen by the legislative action, is reached not for the future period but for the past period. According to the legislative action, agreement is spread not on the future action of the person, but on the actions implemented in the past period. Corresponding to the legislative action “...In the period of a person’s environment and natural resources utilization all the committed/ carried out actions is considered to be legally”, which means that the agreement provides the period after the agreement is reached and this person’s actions implemented in this period are legally. We want to reiterate that the legislative action do not include a future period, and it is impossible to give to the person the consent days after the conclusion of the possibility of illegal activity. In addition, the legislative action does not restrict the competent authorities to monitor Authority and/ or in the environmental decision-making process community participation and consequently, its enforcement cannot be violated and risk does not come under the international treaties and other obligations, as implemented in the past. As for the question about the agreement is concluded for an indefinite period, due to the fact that was particular person’s past implementation will be legal by actions agreement. Consequently, this would not have a temporary character, this concluded for an indefinite period of time and it repeal only by the person in case of violation of the terms and conditions. Cancellation of the agreement will lead to the cancellation of legal consequences. Incorrect statements about the legislative action, according to the limited public access to justice. In this connection the following: According to the legislative action one of the parties to the agreement is specific person, on the other hand the state, which is presented as a Ministry of Energy and Natural Resources of Georgia. On the*

<sup>10</sup> see <http://www.menr.gov.ge/en/News/2012/2288>

*date of the agreement in the field/ action of environment and natural resources should not be imposed for a person civil and/ or administrative responsibility by the state and/ or local authorities. Corresponding to the same project it does not apply to the person concerned obligations and responsibilities of the individual and the common law legal persons. Accordingly, it is clear that the physical and legal persons will be entitled to any entity (including agreement between the parties) to address the court. In addition, it is important that the agreement release the person from the implemented administrative and civil liability action in exchange for the payment of compensation. Also it can be defined other necessary duties to be in a performed by a person”.*

Besides the fact that the explanation provided by the Ministry of Energy and Natural Resources did not satisfy the remarks made by the civil society organizations concerning the content of the law, the text of the explanation contained the explanations opposite to the law requirements. For example, according to the explanation, “a person cannot be given an opportunity to act illegally in a period after concluding an agreement. In addition, the draft law will not limit monitoring powers of authorized bodies.” However, according to the law, “it is inadmissible to examine the actions carried out/implemented by a person in a period envisaged by the agreement<sup>11</sup>.” Thus, not only the law restricts, but it also prohibits examining the activities of a person that is a party to the agreement enabling a person to carry out illegal actions in a period after signing an agreement.

Like the Minister of Environment Protection, the Ministry of Energy and Natural Resources was also interpreting the law wrongly.

Deputy Minister of Energy and Natural Resources, Nino Enukidze said in the interview with Radio Liberty:

*“The law will apply only to those license holders, who were working in the sphere of environmental protection and natural resources until now, but because of inflexible monitoring system, they were committing administrative violations. Owing to the amendments made to the law, just such persons will have a chance to correct their wrongdoings through paying a compensation: based on this agreement it is possible to calculate all administrative liabilities, sanctions, fines, damages caused by their actions for years and they will be able to pay compensation during 10 years – for example, if they caused some damage to the forest, we will instruct them to plant a new forest. On the contrary, this is a humane law and aims at promoting business so that to prevent the closure of these enterprises by such sanctions and penalties, but*

<sup>11</sup> Article 1 of the Law on Making Amendments to Some Legislative Acts of Georgia, dated March 20, 2012, No 5916-rs

*instead to give them a chance to correct various wrongdoings committed by them. This is the key goal of this law.<sup>12</sup>*

First and foremost, the law applies not only to license holders, as the Deputy Minister claims, but to any interested person; in addition, the law enables a violator not “to correct” a wrongdoing, but it “legalizes” such wrongdoing.

The criticism of civil society organizations proved especially inadmissible for the Minister of Energy and Natural Resources:

*“I will simply tell all those non-governmental organizations who are saying it: just sit down and read what is written in the law quite clearly. The protest expressed by them is absolutely senseless. It is senseless that any company is granted an indulgence for the future. This law does not cover the future. It only covers the violations committed in the past. If any company has a violation, this law allows for signing a concrete agreement with this company in order not to seal up and close down the company, but to restructure the accumulated fine instead. Hence, it is all written in the law quite simply and in Georgian, and I recommend those organizations, who are directly and senselessly protesting against it, just to take the law and simply read it. Lawyers also exist for this purpose,” Energy Minister Alexander Khetaguri said<sup>13</sup>.*

Like his colleagues, the Minister was also telling a lie, because the agreement concluded under the law has nothing in common with “restructuring the accrued fines”. Restructuring of accrued fines was already allowed by the law through the amendments made to the Law of Georgia on Environmental Protection on December 27, 2011<sup>14</sup>.

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<sup>12</sup> Law on Environmental Protection – Indulgence or Amnesty? Radio Liberty; 3 December 2012  
<http://www.tavisupleba.org/content/article/24524903.html>

<sup>13</sup> <http://news.ge>, “Profit for the Companies or Safe Environment”; March 23, 2012

<sup>14</sup> matsne.gov.ge, 12/01/2012, registration code: 360000000.05.001.016596

## I AGREEMENT – “MADNEULI AND KVARTSITI AGAINST THE ENVIRONMENT”

As we have already mentioned above, the Law on Making Amendments to Some Legislative Acts of Georgia, which led to the introduction of the agreement on violations committed in the sphere of environmental protection and natural resources, has been in force since March 30, 2012. The law is so much obscure, unjustified and controversial that it was quite clear that like many other amendments it also served the interests of certain persons and like in other cases, “an interested person” would make use of these amendments quite soon. Owing to the promises given by then Energy Minister Alexander Khetaguri and then Environment Minister Goga Khachidze, the society was expecting an open, public process of concluding an agreement. Two months after the law came into effect, particularly in late May 2012, Green Alternative applied to the Ministry of Energy and Natural Resources and requested information about the agreements concluded in the sphere of environmental protection and natural resources or about the ongoing negotiations on concluding an agreement. In addition, in case of signed agreements, the organization was requesting the copies of documents reflecting the administrative procedures for making a decision on concluding an agreement, including an application submitted by a person on concluding an agreement, the text of the agreement and all official conclusions, assessments and reports prepared in the process of concluding an agreement.

Much more time has passed than defined by the law since the date of requesting public information; however, Green Alternative has not received any answer so far. Therefore, the organization sent an administrative complaint to the Ministry of Energy and Natural Resources. A week after the complaint was sent<sup>15</sup> Green Alternative received a letter from Deputy Minister, Nino Enukidze, which said: “One agreement has been concluded in the sphere of environmental protection and natural resources between Madneuli JSC and Kvartsiti Ltd, on the one hand, and the Ministry of Energy and Natural Resources, on the other. We are sending the documents available at the Ministry with respect to the mentioned agreement in a form of an annex”. The following was enclosed to the letter:

1. A joint two-sentence application sent by Madneuli JSC and Kvartsiti Ltd to Minister of Energy and Natural Resources of Georgia, Alexander Khetaguri, which noted: “We apply to you on the basis of article 57<sup>11</sup> of the Law of Georgia on Environmental Protection and ask you to conclude an agreement envisaged by 57<sup>10</sup> of the same law from April 1, 1994 to May 14, 2012. In addition, in exchange of the mentioned agreement we are

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<sup>15</sup> The letter is dated July 10, 2012. Green Alternative sent a letter requesting information on May 25, 2012.

ready to pay compensation totaling GEL 13 (thirteen) million to the state budget proportionally no later than March 2014, under mutually agreed scheme.” Payment scheme and plan of measures to be implemented by the enterprises are also enclosed to the application.

2. Order by Prime Minister of Georgia, Nika Gilauri dated May 14, 2012 on concluding an agreement.
3. Contract document concluded between the Ministry of Energy and Natural Resources, on the one hand, and Madneuli JSC and Kvartsiti Ltd, on the other, under the Order of the Prime Minister, together with the scheme of payments and planned actions.

Since the submitted documents did not fully reflect the administrative procedures carried out for making a decision on concluding an agreement, Green Alternative did not withdraw its complaint and demanded the delivery of remaining documents. It is quite unclear how the administrative body managed to do it, but as it turned out while discussing the complaint, no other documents related to this process were available at the Ministry of Energy and Natural Resources (conclusion, assessment, report or document authorizing the application).

According to the documents submitted to Green Alternative and official explanation of the Head of Law Department of the Ministry of Energy and Natural Resources, the events have developed in the following sequence:

1. On May 14, 2012 the management of Madneuli JSC and Kvartsiti Ltd applied to the Energy Minister with a request to conclude an agreement. The enterprises did not indicate those violations, which they wanted to be considered lawful in exchange of paying GEL 13 million to the state budget. Only a period of time – 18 years – was indicated in the application; just the actions carried out during this period should have been considered lawful.
2. The Minister of Energy and Natural Resources discussed the application on the same day; without asking any questions (for example, about what kind of violations the enterprises wanted to be considered lawful), he approved the application and sent it to the Prime Minister for making a final decision.
3. Neither did it take the Prime Minister much time to make a decision; he issued order No 624 on concluding an agreement in the sphere of environmental protection and natural resources on the same day, May 14, 2012. By the Prime Minister’s order, the Ministry of Energy and Natural Resources was instructed to conclude an agreement with Madneuli JSC and Kvartsiti Ltd in the sphere of environmental protection and natural resources as envisaged by article 57<sup>10</sup> of the Law of Georgia on Environmental Protection.

4. As it seems, it was already late on that day and therefore, the agreement between the Ministry of Energy and Natural Resources, on the one hand, and Madneuli JSC<sup>16</sup> and Kvartsiti Ltd<sup>17</sup>, on the other, was concluded only on the next day, May 15, 2012.

Based on the agreement concluded on May 15, 2012, all the actions carried out by Madneuli JSC and Kvartsiti Ltd in the sphere of environmental protection and natural resources from April 1, 1994 to May 14, 2012 shall be considered lawful and respectively, no civil and/or administrative liabilities before the state and/or local self-government bodies shall be imposed on the enterprises.

The agreement envisages only two types of obligations: (1) payment of GEL 13 million by Madneuli JSC and Kvartsiti Ltd jointly before March 2014 under the agreed scheme, and (2) implementation of coordinated environmental measures before expiration of the term of license.

It should also be noted that the agreement envisages a liability for violating a scheme of payment of compensation. If the total number of days overdue is 10, the agreement shall be considered unfulfilled and canceled, whereas the agreement envisages no sanctions for unfulfilled plan of environmental measures attached to the agreement. Thus, we should suppose that attaching this so called plan to the agreement is a mere formality. The same is confirmed by the list of measures envisaged by the plan (see below, insertion 1 and insertion 2). Besides the fact that the enterprises had been instructed to fulfill all the actions enlisted in the plan, description of measures is quite general, overlapping and in some cases, absolutely senseless. For example, 10 paragraphs in the list are about the issue of waste management. One out of ten paragraphs is “waste management”, which should be fulfilled by 12.04.2014. It is unclear, how the fulfillment of this paragraph should be expressed, if according to the plan “waste separation” and “liquid waste management” should also be fulfilled by the same period.

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<sup>16</sup> Madneuli JSC: license on the use of minerals (series 053, number 0011, type IIAC), complex processing of gold ore, copper, barite, polymetal fields, term of validity – from April 12, 1994 to April 12, 2014; license on extracting of minerals 06.12.2011; No 1000281 on exploring and extracting non-ferrous, noble, rare metals and barite in the Bolnisi Municipality; term of validity: from December 6, 2011 to April 12, 2014; 06.02.2009 #00174 environmental impact permit.

<sup>17</sup> Kvartsiti Ltd: license on the use of minerals (series 53, number 0010, type VI ABC), exploring and extracting minerals from the Bolnisi fields; term of validity – from April 7, 1994 to April 7, 2014; 06.02.2009. #00172 environmental impact permit.

Insertion 1. Plan of measures to be implemented by Madneuli JSC before the expiration of its license

#	List of Measures	Period of fulfillment
1	To make up a cadastre of land areas belonging to Madneuli JSC and to specify their outlines together with the state authorized agencies	31.10.2012
2	To prepare and coordinate the project on processing gold ore-barite-copper fields	30.06.2012
3	To impose monitoring on general slope angle and diffusivity coefficient	12.04.2014
4	To develop the environmental policy of the company Madneuli	31.07.2012
5	Waste management	12.04.2014
6	Waste separation	12.04.2014
7	Solid municipal waste management	12.04.2012
8	To make a list of solid waste formed in the pit	15.08.2012
9	Liquid waste management	12.04.2014
10	To make a list of liquid waste formed when processing the ore deposit	15.08.2012
11	To develop internal system of environmental management	30.08.2012
12	To make a registry of ecological risks	15.08.2012
13	To organize solid waste separation and their temporary storage	30.09.2012
14	To prepare/conclude a relevant agreement on transportation/processing of solid waste	30.10.2012
15	To organize liquid waste separation and their temporary storage	20.03.2012
16	To prepare/conclude a relevant agreement on transportation/processing of liquid waste	30.10.2012
17	To develop a recultivation project	30.06.2012
18	To select areas for seasonal recultivation works and to buy plant materials	05.11.2012 05.04.2013 05.11.2013 05.04.2014
19	To organize seasonal recultivation works	15.11.2012 15.04.2013 15.11.2013 15.04.2014
20	To develop environmental programs for structural divisions	30.09.2012
21	To develop a program of ecological self-monitoring system	15.07.2012
22	To systemize weekly data of ecological self-monitoring system	12.04.2014
23	To rehabilitate sewerage system	15.04.2013
24	To arrange/build temporary fields for separate placement of waste formed at the enterprise	30.10.2012
25	To restore/build emergency cascade	15.05.2013
26	To build/arrange carwash facility with the use of returned water	30.10.2012
27	To build emergency facility for fuel and lubricants	15.09.2012
28	To arrange a field for ore storage	30.11.2012
29	To purchase composting toilets	15.08.2012

Insertion 2. Plan of measures to be implemented by Kvartsiti Ltd before the expiration of its license

#	List of Measures	Period of Fulfillment
1	To make up a cadastre of land areas belonging to Madneuli JSC and to specify their outlines together with the state authorized agencies	31.10.2012
2	To prepare and coordinate the project on processing the Sakdrisi field	31.07.2012
3	To impose monitoring on general slope angle and diffusivity coefficient	07.04.2014
4	To develop the environmental policy of the company Kvartsiti	01.07.2012
5	Waste management	07.04.2014
6	Waste separation	07.04.2014
7	Solid waste management	07.04.2012
8	To make a list of solid waste formed in the Sakdrisi field	15.08.2012
9	Liquid waste management	07.04.2014
10	To make a list of liquid waste formed when processing the Sakdrisi deposit	15.08.2012
11	To develop internal system of environmental management	30.09.2012
12	To make a registry of ecological risks	15.09.2012
13	To organize solid waste separation and their temporary storage	30.10.2012
14	To prepare/conclude a relevant agreement on transportation/processing of solid waste	15.11.2012
15	To organize liquid waste separation and their temporary storage	15.08.2012
16	To prepare/conclude a relevant agreement on transportation/processing of liquid waste	15.11.2012
17	To develop a recultivation project	30.08.2012
18	To select areas for seasonal recultivation works and to buy plant materials	05.11.2012 05.04.2013 05.11.2013 05.04.2014
19	To organize seasonal recultivation works	15.11.2012 15.04.2013 15.11.2013 15.04.2014
20	To develop environmental programs for structural divisions of Kvartsiti Ltd	30.09.2012
21	To develop a program of ecological self-monitoring system	15.07.2012
22	To systemize weekly data of ecological self-monitoring system	07.04.2014
23	To arrange/rehabilitate sewerage system	15.09.2012
24	To arrange/build temporary fields for separate placement of waste formed at the enterprise	30.09.2012
25	To build/arrange carwash facility with the use of returned water	15.05.2013
26	To build emergency facility for fuel and lubricants	30.03.2013
27	To arrange a field for ore storage	30.08.2012
28	To purchase composting toilets for the pit	15.08.2012

One more circumstance is also interesting in respect of this agreement. According to the agreement on privatization of the enterprises signed between the owner of the enterprises, the company GeoProMining<sup>18</sup> and the Ministry of Economic Development on November 11, 2005, the company was released from any liability for the harm caused to the environment in the past (before sale). In particular, the agreement notes: “‘A seller’ assumes an obligation that ‘a buyer’ will not have to answer and will not be obliged to clean or improve otherwise, or pay a certain amount for cleaning or improving otherwise ‘before the date of completion’ for any harmful substances emitted on the territory of ‘the companies of the group’ or for other environmental pollution on the adjacent territory.” Considering this circumstance, it is unclear why the company decided to pay compensation for the violations committed in a period between 1994 and 2005.

Moreover, in a month after signing the agreement, on May 15, 2012, GeoProMining made a statement on selling its assets in Georgia<sup>19</sup>. According to the statement, the company was carrying out negotiation on the sale of its assets for several months. Taking this fact into consideration, we should suppose that the agreement was signed in order to ennoble the history of activities of the enterprises on the part of GeoProMining, to be exempted from the responsibility for environmental damages and subsequently, sell them profitably. Strange as it may seem, the new owner of the enterprises declares<sup>20</sup> today that when buying the enterprises, he knew nothing about the agreement and respectively about the obligation to pay a certain amount envisaged by the agreement. It is hardly believable that the company participating in a 120-million deal signed the agreement without studying the obligations thoroughly or maybe the deal does not envisage any sanctions concerning newly discovered obligations. However, the statements made by the new owner do not change anything in this respect. The agreement has been signed and before complete payment of the sum by Madneuli JSC and Kvartsiti Ltd before May 14, 2012, all the actions carried out in the sphere of environmental protection and natural resources will be considered lawful – that cannot but be profitable for the new owner of the enterprises.

As we have already mentioned above, imposing an obligation of implementing the above mentioned measures is a mere formality and no sanctions are envisaged in case of non-fulfillment of this condition. Moreover, as Green Alternative clarified<sup>21</sup>, the Ministry of Energy

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<sup>18</sup> In the period of signing an agreement “Stanton Equities Corporation”

<sup>19</sup> <http://www.geopromining.com>; Statement on the sale of assets of GeoProMining in Georgia; June 14, 2012, Moscow

<sup>20</sup> <http://liberali.ge>, “Environment Lost in Calculation”, 08.02.2013

<sup>21</sup> On December 6, 2012 Green Alternative received an answer from Irakli Khmaladze, the head of the Law Department of the Ministry of Energy and Natural Resources; the organization was requesting information about the fulfillment of the plan of actions agreed on the basis of the agreement signed with

and Natural Resources does not have any information about the fulfillment of the plan envisaged by the agreement and neither has it implemented any measures to obtain this information.

Thus, the agreement concluded on May 15, 2012 with Madneuli JSC and Kvartsiti Ltd in the sphere of environmental protection and natural resources has further strengthened the situation created by the state when privatizing the enterprises in 2005 by exempting the new owner from the responsibility for the damages caused to the environment in the past – the situation, where nobody (neither the state nor the owners of the enterprises) assume the responsibility for recovering and compensating for damages caused to the environment.

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Madneuli JSC and Kvartsiti Ltd on May 15, 2012 in the sphere of environmental protection and natural resources (most part of actions envisaged by the plan should have been fulfilled already).

## II AGREEMENT WITH SAKNAKSHIRI

On June 29, 2012 Saknakshiri Ltd (GIG Group) applied to the Ministry of Energy and Natural Resources and requested to conclude an agreement in respect of licenses No 100752<sup>22</sup>, No 01018<sup>23</sup> and No 00885<sup>24</sup> for the period between January 6, 2010 and October 12, 2011 in the sphere of environmental protection and natural resources. In exchange of the agreement, the company was ready to pay GEL 40 000 within 20 calendar days.

It is unknown what particular violations Saknakshiri wanted to be considered lawful. We can conclude from the company's statement that the violations were related to the extraction of minerals. However, the order issued by Georgian Prime Minister Ivane Merabishvili on July 20, 2012 and subsequently, the agreement concluded with the Ministry of Energy and Natural Resources (represented by Minister Alexander Khetaguri) envisages considering lawful not only the license-related actions but generally all the actions carried out in the sphere of environmental protection and natural resources.

Unlike the agreement concluded with Madneuli JSC and Kvartsiti Ltd, much time – over a month has passed from applying to the Ministry of Energy and Natural Resources to issuing the order by the Prime Minister. However, as it seems, dragging out the process was not caused by the difficulty of a decision making process, because in this case too there is not a single additional paper reflecting any administrative procedures. Only the company's application, Prime Minister's order (which has fully met the company's request) and the agreement concluded on the basis of this order are available.

It is interesting that the agreement did not provide for the fulfillment of any additional commitments and it only envisaged payment of GEL 40 000 for all those violations committed under three licenses during almost two years to be considered lawful.

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<sup>22</sup> License No 100752 on the use of minerals was issued to Saknakshiri Ltd on October 24, 2007 for underground processing of the Tkibuli-Shaori coal deposit. The Mindeli and Dzidziguri mines should have been rehabilitated under license conditions.

<sup>23</sup> License No 01018 on the use of minerals was issued to Saknakshiri Ltd on December 25, 2007 for extracting coal on the territories of Tkibuli and Ambrolauri. Construction of a new mine is planned under license conditions.

<sup>24</sup> License No 00885 on the use of minerals issued to Saknakshiri Ltd on October 24, 2007 for open-pit coal mining.

### III AGREEMENT AT A LOW PRICE

On July 24, 2012 Georgian Prime Minister Ivane Merabishvili issued order No 1135 on concluding yet another agreement in the sphere of environmental protection and natural resources. According to the order, the Ministry of Energy and Natural Resources was instructed to sign an agreement with the Georgian branch of the company Polat lol Iapi Sanaii ve Tijareti (Turkey). The order defined agreement period – from July 8, 2011 to July 20, 2012; GEL 20 000 was defined as the sum of compensation for all the violations committed in the sphere of environmental protection and natural resources to be considered lawful.

On August 6, 2012 the Ministry of Energy and Natural Resources (represented by Minister Alexander Khetaguri) and Georgian branch of the company Polat lol Iapi Sanaii ve Tijareti signed an agreement under the conditions defined by the Prime Minister's order. Like in two other cases, the essence of violations is again unknown.

It should be noted that the Georgian branch of the company Polat lol Iapi Sanaii ve Tijareti underwent registration in Georgia on July 8, 2011. Actually, all the actions carried out by the company in the sphere of environmental protection and natural resources since the day of launching operation in Georgia have been considered lawful.

## CONCLUSION

One of the first initiatives of the new government which came to power as a result of the 2012 October parliamentary elections is cancellation of those amendments to the Law of Georgia on Environmental Protection, which allowed concluding an agreement in the sphere of environmental protection and natural resources. This step can only be welcomed, because, as the reader could already make sure, both the rule of concluding an agreement and the practice are unlawful and provide the best opportunity for corrupt deals.

Green Alternative hopes that the law will be cancelled on the basis of a relevant assessment and conclusion in order to establish the practice of substantiating the need and legality of making legislative amendments, on the one hand, and to avoid the possibility of initiating similar legislative amendments in future, on the other.

Unfortunately, during the operation of law the agreements discussed in the given report were formalized. However, it should be noted that the activities of these enterprises in the sphere of environmental protection and natural resources were not controlled before signing the agreement and apparently no control was planned in future either. Thus, signing the agreement has not changed anything. Presently, apart from the agreement, enterprises are obliged to fulfill the conditions set by the environmental impact permit, as well as the conditions set by the license on the use of minerals and the requirements of the legislation regulating the field. Thus, under conditions of relevant political will and proper work of controlling agencies, it is quite possible to minimize negative consequences of the signed agreements.

## ANNEX

According to part 10 of article 232 of the Code of Administrative Offences of Georgia (The Supreme Council of the Georgian SSR, No 12, 1984, article 421), the procedures for an administrative offence cannot be initiated, while the initiated case should be suspended for the offences envisaged by articles 48, 49, 51, 51<sup>1-5</sup>, 52, 53, 53<sup>1</sup>, 53<sup>2</sup>, 54, 54<sup>1</sup>, 55, 55<sup>1-5</sup>, 56, 57, 57<sup>1-3</sup>, 58, 58<sup>1</sup>, 58<sup>2</sup>, 59, 59<sup>3</sup>, 60, 60<sup>3</sup>, 61, 61<sup>1</sup>, 63, 63<sup>1</sup>, 64, 64<sup>1</sup>, 65, 66, 66<sup>1</sup>, 66<sup>2</sup>, 67, 67<sup>1</sup>, 68, 69, 69<sup>4</sup>, 69<sup>5</sup>, 71, 72<sup>1</sup>, 73-78, 79<sup>1</sup>, 79<sup>2</sup>, 82, 82<sup>1</sup>, 82<sup>2</sup>, 84, 84<sup>1</sup>, 85, 85<sup>1-5</sup>, 86, 89, 89<sup>1-3</sup>, 91<sup>2</sup>, 96<sup>2</sup>, 103<sup>1</sup>, 104, 128<sup>2-5</sup>, 146<sup>1</sup>, 146<sup>2</sup>, 148, 150, 151, 151<sup>1</sup>, 152, 152<sup>3</sup>, 165<sup>2</sup> and 173<sup>5</sup> of the code if a person, who has committed an offence or a person, within whose authorities he was acting, has concluded an agreement in the sphere of environmental protection and management of natural resources.

Below, there is a detailed description of offences envisaged by the above mentioned articles of the Code of Administrative Offences of Georgia as well as the sanctions envisaged by the code for these offences.

Article 48. Arbitrary occupation of water body – shall be subject to a fine of GEL 200.

Article 49. (1) Arbitrary occupation of the state forest fund lands – shall be subject to a fine of GEL 200; (2) arbitrary occupation of land within the protected areas – shall be subject to a fine of GEL 400.

Article 51. Failure to remove and keep fertile layer of agricultural soil and carry out melioration works, as well as non-fulfillment of obligatory land tenure measures such as recultivation as well as other measures aimed at protecting lands against wind, water erosion and other land aggravating processes – shall be subject to a fine from GEL 500 to GEL 1000.

Article 51<sup>1</sup>. (1) Non-purposeful use of the protected areas and their territorial-functional zones by the persons directly responsible for the management and protection of protected areas – shall be subject to a fine from GEL 150 to GEL 200. (2) The same offence committed within the borders of the state reserves, national parks, strict nature reserves, natural monuments, biosphere reserves (strict nature reserves), world heritage sites and wetlands of international importance – shall be subject to a fine from GEL 300 to GEL 500.

Article 51<sup>2</sup>. Removal and replacement of a fertile layer of soil that is not connected with the permitted measures - shall be subject to a fine from GEL 1500 to GEL 2000.

Article 51<sup>3</sup>. Failure to properly formalize the documents on the use of state non-agricultural lands – shall be subject to a fine from GEL 800 to GEL 1000. The same offence committed repeatedly – shall be subject to a fine from GEL 3000 to GEL 3500.

Article 51<sup>4</sup>. Aggravating the quality of soil and water when extracting minerals in high mountain regions – shall be subject to a fine from GEL 50 to GEL 100.

Article 51<sup>5</sup>. Extraction of those subalpine and alpine plants in high mountain regions, which must not be consumed as fuel or other purposes – shall be subject to a fine from GEL 30 to GEL 50.

Article 52. Aggravating the quality of soil with industrial and other waste, as well as its pollution with effluent water – shall be subject to a fine from GEL 500 to GEL 800.

Article 53. Failure to return temporarily occupied lands in time or the failure to make it fit for its purpose – shall be subject to a fine from GEL 400 to GEL 500.

Article 53<sup>1</sup>. (1) Failure to timely return temporarily occupied lands located within the borders of protected areas – shall be subject to a fine from GEL 200 to GEL 300. (2) The same offence committed within the borders of the state reserves, national parks, strict nature reserves, natural monuments, biosphere reserves (strict nature reserves), world heritage sites and wetlands of international importance – shall be subject to a fine from GEL 300 to GEL 400.

Article 53<sup>2</sup>. Non-purposeful use of land plots – shall be subject to a fine from GEL 500 to GEL 1000.

Article 54. Derailing from the project on land use and protection without relevant permission – shall be subject to a fine from GEL 300 to GEL 500.

Article 54<sup>1</sup>. Failure to observe the warning on administrative offences against land legislation – shall be subject to a fine from GEL 600 to GEL 700; the same offence committed repeatedly – shall be subject to a fine from GEL 2000 to GEL 2500.

Article 55. Destruction or damaging of a boundary sign or arbitrary change of a boundary line – shall be subject to a fine from GEL 300 to GEL 700 or administrative imprisonment for a term of 10 days along with returning the border in its previous condition. The same offence committed repeatedly shall be subject to a fine from GEL 1500 to GEL 2000.

Article 55<sup>1</sup>. Construction of facilities having negative impact on the state of lands – shall be subject to a fine from GEL 1000 to GEL 2000.

Article 55<sup>2</sup>. Illegal occupation of state lands and/or their utilization without the right of land tenure – shall be subject to a fine from GEL 1000 to GEL 2000. The same offence committed repeatedly – shall be subject to a fine from GEL 3000 to GEL 3500.

Article 55<sup>3</sup>. Delivery of incorrect information on land funds, their condition and utilization, violation of deadlines for considering applications, petitions and complaints concerning allocation of lands – shall be subject to disciplinary action, particularly fining of officials with one or two minimum wage amounts.

Article 55<sup>4</sup>. (1) Destruction of a boundary sign of protected areas and their territorial and functional zones – shall be subject to a fine from GEL 50 to GEL 100. (2) The same offence committed within the borders of the state reserves, national parks, strict nature reserves,

natural monuments, biosphere reserves (strict nature reserves), world heritage sites and wetlands of international importance – shall be subject to a fine from GEL 100 to GEL 150.

Article 55<sup>5</sup>. (1) Arbitrary occupation and/or utilization without the right to land tenure of state lands on the territory of a self-governing unit of the city of Tbilisi or the lands owned by the Tbilisi self-governing unit – shall be subject to a fine at GEL 2000. (2) The same offence committed repeatedly – shall be subject to a fine of GEL 3500.

Article 56. (1) Arbitrary utilization of the areas for mineral extraction facilities; non-fulfillment of the requirements for protecting the natural environment, buildings and constructions from harmful influence of the works related to utilization of minerals; violation of the rules and norms for liquidation and conservation of various underground facilities, as well as for soil recultivation – shall be subject to a fine from GEL 500 to GEL 800. (2). Aggravation of qualitative and quantitative characteristics of minerals – shall be subject to a fine from GEL 800 to GEL 1000.

Article 57. Violation of the requirements for performing the work connected with geological research of natural resources that could be followed by destruction or damage of underground water observation boreholes, mine-surveying and geodetic signs, infringement of cultural heritage monuments and protection lines, violation of the property of geological information, deliberate delivery of late or false information about mineral resources - shall be subject to fining citizens within 10-50 minimum wage amounts, and officials within 50-70 minimum wage amounts.

Article 57<sup>1</sup>. Arbitrary utilization of minerals without a relevant license – shall be subject to a fine from GEL 1000 to GEL 1500.

Article 57<sup>2</sup>. Violation of the norms for utilization of mineral resources as well as the safety rules and norms for utilization of mineral resources – shall be subject to a fine from GEL 400 to GEL 700.

Article 57<sup>3</sup>. Utilization of minerals with violation of relevant license conditions – shall be subject to a fine of GEL 500.

Article 58. (1) Pollution, littering of water bodies, discharging waste in water bodies – shall be subject to a fine from GEL 200 to GEL 300. (2) Violation of the protection regime of potable and household water, discharge of industrial, municipal, drainage and other effluents into potable and household water supply and medical water bodies – shall be subject to a fine from GEL 400 to GEL 600. (3) Pollution or littering of water from water transportation, pipelines, sailing and other constructions with oil, chemical substances, fuel, mineral and organic fertilizers and chemicals – shall be subject to a fine from GEL 300 to GEL 600. (4) The offences mentioned in parts 1, 2 and 3 of this article, committed repeatedly – shall be subject to a fine from GEL 500 to GEL 800.

Article 58<sup>1</sup>. Violation of water protection rules within the protected areas – shall be subject to a fine from GEL 250 to GEL 350. The same offence committed repeatedly – shall be subject to a fine from GEL 450 to GEL 550.

Article 58<sup>2</sup>. (1) Discharge of municipal garbage and other waste from the land into sea – shall be subject to a fine from GEL 100 to GEL 300. (2) Pollution or littering of the sea with oil, chemical substances, fuel, mineral and organic fertilizers and chemicals from the land – shall be subject to a fine from GEL 300 to GEL 600. (3) The offence envisaged by part 2 of this article committed repeatedly – shall be subject to a fine from GEL 500 to GEL 800. (4) Discharge of (solid) municipal waste from ships, other sailing objects, platforms or artificially built constructions into the sea through violation of the rule set by Georgian legislation – shall be subject to a fine of GEL 2000. (5) Discharge of isolated ballast water into the sea from up to 20 000 ton capacity ships through violating the rule set by Georgian legislation – shall be subject to a fine of GEL 5000. (6) Discharge of isolated ballast water into the sea from over 20 000 ton capacity ships through violating the rule set by Georgian legislation – shall be subject to a fine of GEL 10 000. (7) Discharge of harmful, polluting substances, industrial, technical or other waste or materials from a ship, other sailing objects, platforms, pipelines or artificially built constructions into the sea, as well as pollution of the sea through violating the rule of their burial – shall be subject to a fine of GEL 6500.

Article 59. Failure by the captains or other command staff of ships or other sailing objects to perform the duties of registering in maritime documents the operation connected with unhealthy substances and admixture, making incorrect records about these operations by these persons into the vessel documentation or illegal refusal to submit these documents to relevant officials – shall be subject to a fine from GEL 200 to GEL 300.

Article 59<sup>3</sup>. (1) Failure to fulfill the regulation fee payment requirement defined by the legal entity of public law, the Agency of Natural Resources under the Ministry of Energy and Natural Resources – shall be subject to a fine of GEL 5 000. (2) The same offence committed repeatedly – shall be subject to a fine of GEL 10 000.

Article 60. (1) Violation of the rules of water utilization – shall be subject to a fine from GEL 200 to GEL 400. (2) Taking of water from surface water bodies without a relevant permit or through violation of permit conditions – shall be subject to a fine from GEL 200 to GEL 300. (3) Discharge of effluents in water body without a relevant permit or through violation of permit conditions, violation of the (maximum allowable) norms of emission of harmful substances (including microorganisms) into water bodies, as well as violation of the norms of loading water bodies – shall be subject to a fine from GEL 300 to GEL 500. (4) Illegal utilization of surface water bodies having special scientific and esthetic importance – shall be subject to a fine from GEL 350 to GEL 550. (5) The actions mentioned in parts 1, 2, 3 and 4 of this article, committed repeatedly – shall be subject to fine from GEL 400 to GEL 800.

Article 60<sup>3</sup>. Violation of the established procedures for water protection belts that leads to water pollution, soil erosion by water and other harmful processes – shall be subject to a fine up to GEL 100 for individual persons and up to GEL 500 – for legal entities. (2) Violation of the

regime set by the law in sanitary protection zones and water protection belts designed for water supply, medication and resort needs – shall be subject to a fine of GEL 1 000 for individual persons and GEL 2 000 for legal entities. (3) The same offence committed in the strict regime sanitary protection zone – shall be subject to a fine of GEL 2000 for individual persons and GEL 4000 for legal entities.

Article 61. Damage of water supply and water protection works and equipment, violation of the rules of their maintenance – shall be subject to a fine from GEL 100 to GEL 200. The same action committed repeatedly - shall be subject to a fine from GEL 150 to GEL 250.

Article 61<sup>1</sup>. Influencing water condition, concealing or distorting information about emergency situations, water discharge, other specific situations - shall be subject to a fine from GEL 50 to GEL 200 for citizens and from GEL 50 to GEL 200 for officials; violation of the rule of conducting primary water register, violation of the rule of submitting the data for making the state water register and its utilization - shall be subject to a fine from GEL 50 to GEL 100; violation of rules of providing information on water utilization, conducting primary and state water register and maintaining state water cadastre - shall be subject to a fine from GEL 100 to GEL 150 for officials.

Article 63. Violation of forest utilization rules during production of timber, particularly defining of cutting areas, allocation of cutting areas, violation of the rules of tender cut and special cut – shall be subject to a fine from GEL 50 to GEL 200. The same offence committed on the slopes with 30-35 inclination of the state forest fund lands – shall be subject to a fine from GEL 50 to GEL 250.

Article 63<sup>1</sup>. Violation of the rules of marking out timber cutting area, its utilization and making use of forests within the commonly used territories of national parks, strict nature reserves, specifically fenced-off territories of multi-use areas, protected landscape and traditional and cultural landscape zones of biosphere reserves – shall be subject to a fine from GEL 200 to GEL 300.

Article 64. Destruction and damaging of shrubs and forest cultures, plants and crops in forest nurseries and plantations that may suspend their growing – shall be subject to a fine from GEL 200 to GEL 400.

Article 64<sup>1</sup>. (1) Illegal cutting and damaging of timber plants within the borders of protected areas – shall be subject to a fine from GEL 400 to GEL 500. (2) The same offence committed within the borders of the state reserves, national parks, strict nature reserves, natural monuments, biosphere reserves (strict nature reserves), world heritage sites and wetlands of international importance or in respect of the species included in the Red List of Georgia – shall be subject to a fine from GEL 500 to GEL 600.

Article 65. Violation of the rules and requirements defined by the law on maintaining forest plantations with the purpose of maintaining forest plantations, preparing timber products and

secondary wood materials, using non-timber resources of state forest fund, using forest, special-purpose and unused lands of the state forest fund for agricultural purposes, using the state forest fund for special purposes, implementing scientific-research and educational measures on the territory of the state forest fund, using the state forest fund for resort, recreation, sport or other cultural-sanitation purposes, arranging hunting farms – shall be subject to a fine from GEL 50 to GEL 150.

Article 66. (1) Producing timber on the territory of the state forest fund without relevant documents envisaged by Georgian legislation or arranging a hunting farm without a relevant license – shall be subject to a fine of GEL 500 along with confiscation of an object of offence, confiscation of a tool of offence or without it; (2) The offence envisaged by part 1 of this article committed repeatedly – shall be subject to a fine of GEL 1000 along with confiscation of an object and tool of offence; (21) Preparing of firewood by an individual person on the territory of the state forest fund (except of a protected area) for private use and heating purposes without the relevant documents envisaged by Georgian legislation – shall be subject to warning an individual person along with confiscation of an object of offence or without it; (22) The action envisaged by part 21 of this article committed repeatedly – shall be subject to a fine of GEL 500 for an individual person along with confiscation of an object and tool of offence or without it. (3) Violation of the terms and conditions of a general license on forest use, special license on timber producing, special license on hunting farm or relevant agreement on forest use – shall be subject to a fine of GEL 2000 along with confiscation of an object and tool of offence or without it. (4) Violation of the terms and requirements of the relevant agreement related to forest use envisaged by part 3 of this article – shall be subject to a fine of GEL 4000 along with confiscation of object and tool of offence.

Article 66<sup>1</sup>. Non-purposeful utilization of land allocated from the state forest fund – shall be subject to a fine from GEL 100 to GEL 200.

Article 66<sup>2</sup>. Violation of license conditions on fir cone extraction for export purposes and on the use of bulbs of snowdrops and/or root balls of cyclamen included in the appendices of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) – shall be subject to a fine of GEL 500.

Article 67. Violation of the rules and requirements of protecting, maintaining, restoring and planting forests, or selecting plant species with the purpose of restoration and cultivation of the state forest fund – shall be subject to a fine from GEL 20 to GEL 50; violation of the requirements on the use of biological, chemical or selection means with the purpose of forest protection – shall be subject to a fine from GEL 30 to GEL 50.

Article 67<sup>1</sup>. Violation of the rules of restoring and improving renewable natural resources in the zones for manageable protection (manipulations) and restoration of national parks, strict nature reserves and biosphere reserves – shall be subject to a fine from GEL 200 to GEL 300.

Article 68. (1) Damaging of the state forest lands used for agricultural purposes – shall be subject to a fine from GEL 30 to GEL 50. (2) Damaging of meadows, fields and pastures and

violating of the rules of pasturing – shall be subject to a fine from GEL 10 to GEL 50 in case of sheep, goats and pigs, and from GEL 30 to GEL 100 – in case of cattle. (3) The same offence committed within the borders of the state reserves, national parks, strict nature reserves, natural monuments, biosphere reserves (strict nature reserves), world heritage sites and wetlands of international importance – shall be subject to a fine from GEL 30 to GEL 70 in case of sheep, goats and pigs and from GEL 50 to 150 – in case of cattle.

Article 69. (1) Violation of environmental protection norms – shall be subject to a fine from GEL 100 to GEL 300. (2) The same offence committed by a person, who has been subject to an administrative penalty over the past year for the offence envisaged by this article – shall be subject to a fine from GEL 200 to GEL 400.

Article 69<sup>4</sup>. Violation of environment protection requirements while transferring an industrial unit for utilization – shall be subject to a fine from GEL 300 to GEL 500.

Article 69<sup>5</sup>. Violation of environment protection requirements while liquidating an industrial unit – shall be subject to a fine from GEL 200 to GEL 400.

Article 71. (1) Damaging of forests on the state forest lands with radioactive, bacteriological, chemical or other harmful substances, radioactive, industrial, municipal or other waste, industrial, municipal or other effluent water, as well as emissions of harmful substances that leads to drying up of forests and forest diseases – shall be subject to a fine up to GEL 100. (2) The same offence committed within the borders of protected areas and their territorial-functional zones – shall be subject to a fine from GEL 200 to GEL 300. (3) The same offence committed within the borders of the state reserves, national parks, strict nature reserves, natural monuments, biosphere reserves (strict nature reserves), world heritage sites and wetlands of international importance – shall be subject to a fine from GEL 600 to GEL 800.

Article 72<sup>1</sup>. Violation of the rule of registering the state forest fund or specific requirements of registration system for protected areas of the state forest fund – shall be subject to a fine from GEL 50 to GEL 150. Violation of forest planning requirements or forest utilization and carrying out timber industry works without relevant documents approved by the rule set by special forest research legislation – shall be subject to a fine from GEL 70 to GEL 200.

Article 73. Destruction or damaging of forest drainage ditches, drainage systems and roads in the state forest – shall be subject to a fine from GEL 100 to GEL 200.

Article 74. Destruction and damaging of boundary signs in forests – shall be subject to a fine up to GEL 10.

Article 75. Violation of the rule of granting the special protection regime to the forest site and carrying out timber industry works under this regime – shall be subject to a fine from GEL 50 to GEL 150. Violation of timber industry measures and forest utilization regime on that territory of the land protection and water regulation forest site, which has been granted a special

protection regime, or else violation of the regime of carrying out industrial activities on the territory of landscape sites – shall be subject to a fine from GEL 70 to GEL 150.

Article 76. Violation of the requirements for planning and enforcing fire precautions – shall be subject to a fine from GEL 50 to GEL 150. Forest destruction or damaging as a result of setting fire or negligent attitude towards fire, as well as violation of fire safety requirements that has led to emergence or spread of fire on a certain area – shall be subject to a fine from GEL 100 to GEL 200.

Article 77. Exceeding the maximum allowable norms of emission into ambient air and/or the approved norms of temporary agreed emissions without the technical report on pollution sources and inventory of harmful substances emitted by them as well as exceeding the established norms of harmful impact on ambient air (including noise, vibration, electromagnetic fields) – shall be subject to a fine from GEL 500 to GEL 1000.

Article 78. (1) Violation of the rules of exploitation of dust collectors – shall be subject to a fine from GEL 500 to GEL 1000. (2) Non-use of dust collectors – shall be subject to a fine from GEL 1 000 to GEL 2 000.

Article 79<sup>1</sup>. Carrying out activities without environmental impact permit – shall be subject to a fine from GEL 7 000 to GEL 10 000.

Article 79<sup>2</sup>. Violation of the conditions envisaged by the ecological expertise in respect of environmental impact permit or in the cases defined by the Law of Georgia on Environmental Impact Permit – shall be subject to a fine of GEL 5 000.

Article 82. Pollution of ambient air with harmful substances through open burning of any type of waste (including leaves, tires) or inappropriate burning equipment – shall be subject to a fine from GEL 400 to GEL 600.

Article 82<sup>1</sup>. Failure to provide data on emission of harmful substances into ambient air in established form and due terms – shall be subject to a fine of GEL 150.

Article 82<sup>2</sup>. (1) Violation of the requirements of environmental technical regulations (except of the cases envisaged by parts 3-6 of this article) – shall be subject to a fine of GEL 500. (2) The offence envisaged by part 1 of this article committed repeatedly – shall be subject to a fine of GEL 1000. (3) Violation of technical regulation requirements while discharge of effluent water into the sea by industrial and non-industrial facilities – shall be subject to a fine of GEL 1000. (4) The offence envisaged by part 3 of this article committed repeatedly – shall be subject to a fine of GEL 3000. (5) Violation of environmental technical regulations (except of the cases envisaged by parts 1-4 of this article) set for sawmills involved in primary processing of round timber (log) – shall be subject to a fine of GEL 2000 along with confiscation of illegal timber and/or primary timber processing products. (6) The offence envisaged by part 5 of this article committed repeatedly – shall be subject to a fine of GEL 4 000 along with confiscation of the sawing equipment and illegal timber and/or primary timber processing products.

Article 84. (1) Failure to duly fulfill the obligations imposed by the authorized agency's administrative prescription concerning elimination of administrative offences committed under parts 4, 41 and 42 of article 239 of this code – shall be subject to an administrative penalty under the sanction of that article or part of the article of this code because of violation of which the sanction was imposed, while in case of imposed administrative penalty – doubling of maximum amount of penalty. (2) Failure to duly fulfill the obligations imposed by the authorized agency's administrative prescription concerning elimination of administrative offences committed under parts 4, 41 and 42 of article 239 of this code – shall be subject to doubling the main administrative penalty. (3) Obstructing the activities of the staff of a relevant agency authorized to formalize a record on administrative offences under parts 4, 41 and 42 of article 239 of this code – shall be subject to a fine of GEL 5 000. (4) Non-fulfillment of legal requirements of the staff of a relevant agency authorized to formalize a record on administrative offences under parts 4, 41 and 42 of article 239 of this code (refusal to produce the documents, materials and information envisaged by Georgian legislation) – shall be subject to a fine of GEL 500. (5) The offence envisaged by part 4 of this article committed repeatedly – shall be subject to a fine of GEL 1000.

Article 84<sup>1</sup>. Deliberate damage of the seal (sealing-wax) put by a relevant body of the Ministry of Energy and Natural Resources – shall be subject to a fine of GEL 1500. (2) The same offence committed repeatedly – shall be subject to a fine of GEL 3500.

Article 85. Violation of the rules of preserving natural habitat of animals, also their breeding areas and survival habitats, as well as arbitrary relocation of wild animals to a new habitat, arbitrary translocation (introduction, reintroduction, restocking) and hybridization - shall be subject to a fine from GEL 300 to GEL 500. (2) The same offence committed in respect of the wild animal species included in the Red List of Georgia or within the borders of the state reserves, national parks, strict nature reserves, natural monuments, biosphere reserves (strict nature reserves), world heritage sites and wetlands of international importance – shall be subject to a fine from GEL 1000 to GEL 1300.

Article 85<sup>1</sup>. Violation of the norms of utilization of chemical substances (including chemical substances for plant protection and soil fertilization) in the environment as well as the rules of transportation, storage and using these chemical substances, that has caused damage to animal world and their habitats – shall be subject to a fine from GEL 150 to GEL 200.

Article 85<sup>2</sup>. Violation of the rules of creation and replenishment of zoological collections of wild animals through removal of wild animals from the environment – shall be subject to a fine from GEL 100 to GEL 200.

Article 85<sup>3</sup>. Destruction of endangered wild animals included in the Red List of Georgia or damaging of their eggs, dens and other constructions that may trigger their death, reduction of their number or destruction of their habitats, as well as extraction of these animals (removal

from natural environment) through violating the conditions indicated in the documents authorizing the extraction, their illegal sale, purchase or captivity – shall be subject to a fine from GEL 150 to GEL 650 for citizens, and from GEL 300 to GEL 850 for officials along with confiscation of private items of an offender, which were used as a tool of committing an offence, or without it, along with confiscation of extracted animals.

Article 85<sup>4</sup>. Trading in illegally extracted species of animal world, their derivatives and products – shall be subject to a fine up to GEL 300 along with confiscation of the objects of animal world, their derivatives and products.

Article 85<sup>5</sup>. Violation of the rules of regulation of the number of wild animals aimed at securing the sanitary and epidemiological well-being of the population, protection of lives, prevention of diseases in agriculture or domestic animals, avoiding harm to natural environment and agriculture - shall be subject to a fine from GEL 200 to GEL 300.

Article 86. (1) Extraction of fish or other living organisms through violating the established rules of using amateur and sport tools and methods – shall be subject to a fine from GEL 50 to GEL 300 along with confiscation of the tool of offence and the fish extracted through violation of the rules set by Georgian legislation. (2) Violation of special fishing requirements – shall be subject to a fine of GEL 500. (3) Extraction of fish or other living organisms through violation of the rules set by Georgian legislation and by using fishing tools and methods and/or small transportation means (about eight-meter boats and vessels (except of the cases envisaged by parts 1 and 2 of this article) – shall be subject to a fine from GEL 400 to GEL 1000 along with confiscation of illegally extracted fish as well as confiscation of tool of offence and water transport or without it. (4) Extraction of fish or other water living organisms through violation of the rules set by Georgian legislation and by using fishing tools and methods and/or transportation means with up to 100 ton capacity and over eight-meter boats and vessels (except of the cases envisaged by parts 1 and 2 of this article) – shall be subject to a fine from GEL 4 000 to GEL 5 000 along with confiscation of illegally extracted fish as well as confiscation of tool of offence and water transport or without it. (5) Extraction of fish or other water living organisms through violation of the rules set by Georgian legislation and by using over 100 ton capacity transportation means (except of the cases envisaged by parts 1 and 2 of this article) – shall be subject to a fine from GEL 30 000 to GEL 50 000 along with confiscation of illegally extracted fish and other living organisms. (6) Violation of fishing license requirements by the holder of fishing license – shall be subject to a fine of GEL 2000. (7) Violation of hunting rules on hunting species – shall be subject to a fine from GEL 100 to GEL 500 along with confiscation of extracted object and hunting tool or without it. (8) The same action committed with the tool or means which are prohibited for hunting – shall be subject to a fine from GEL 500 to GEL 700 along with confiscation of extracted object and hunting tool or without it. (9) Violation of the rule of utilization of animal species (except of the cases envisaged by parts 7 and 8) – shall be subject to a fine from GEL 800 to GEL 1500 along with confiscation of extracted object and hunting tool.

Article 89 (1). Violation of the protection rules and regime of protected areas and their territorial-functional zones – shall be subject to a fine from GEL 20 to GEL 40. (2) The same

offence committed within the borders of the cultural heritage protection zone, state reserves, national parks, strict nature reserves, natural monuments, biosphere reserves (strict nature reserves), world heritage sites and wetlands of international importance – shall be subject to a fine from GEL 25 to GEL 50.

Article 89<sup>1</sup>. (1) Allowing the people to visit the state reserves, national parks, strict nature reserves, biosphere reserves (strict nature reserves), world heritage sites for non-educational purposes – shall be subject to a fine from GEL 70 to GEL 100. (2) The same action committed by a person, who has been subject to an administrative penalty over the past year for the offence envisaged by this article – shall be subject to a fine from GEL 100 to GEL 200.

Article 89<sup>2</sup>. (1) Bringing of fighting, hunting, fishing equipment and tools by the visitors into the state reserves, national parks, strict nature reserves, biosphere reserves (strict nature reserves), world heritage sites (except of scientific non-manipulation observation equipment) – shall be subject to a fine from GEL 100 to GEL 200. (2) The same action committed by a person, who has been subject to an administrative penalty over the past year for the offence envisaged by this article – shall be subject to a fine from GEL 150 to GEL 200.

Article 89<sup>3</sup>. (1) Illegal entry, penetration and/or movement by any person with firearms (except those persons, who under Georgian legislation have the right to carry firearms) on the territory of state reserves – shall be subject to a fine from GEL 200 to GEL 250 along with confiscation of firearms or without it. (2) Entry, penetration or movement by any person with fishing equipment on the territory of state reserves or carrying out this action using a boat – shall be subject to a fine from GEL 150 to GEL 300 along with confiscation of a tool of offence, including a boat, or without it. (3) Giving a consent to the persons having firearms and/or other fishing equipment (including a boat) by the employees of state reserves (except of the directors of administrations and directorates of protected areas set up as legal entities of public law under the rule set by Georgian legislation) to enter the territory of state reserves and/or failure to take relevant measures upon committing offences by the mentioned persons – shall be subject to a fine from GEL 300 to GEL 500.

Article 91<sup>2</sup>. Import or sale of lead-containing (over 0,013 grams per liter) motor petrol, tetraethyl lead, as well as import of falsified household liquid gas – shall be subject to a fine ranging between 10 and 100 minimum wage amounts along with confiscation of products.

Article 92<sup>1</sup>. Failure to fulfill the requirements set by the National Regulatory Commission for Energy and Water Supply by commercial electricity system operators, small capacity power plants, natural gas suppliers, license holders in electricity and natural gas fields or consumers, as well as potable water suppliers – shall be subject to a fine of GEL 5000.

Article 96<sup>2</sup>. (1) Failure to fulfill the requirements set by normative acts of the Agency of Natural Resources - a legal entity of public law under the Ministry of Energy and Natural Resources of Georgia in oil and gas sector, as well as by general license on the utilization of oil and gas

resources, licenses on oil processing, natural gas processing, oil transportation or natural gas transformation – shall be subject to a fine from GEL 1000 to GEL 3000. (2) The same offense committed by a person who has been subject to an administrative penalty over the past year – shall be subject to a fine from GEL 2000 to GEL 5000.

Article 103<sup>1</sup>. Violation of the rules of protecting, maintaining, using and breeding wild animals kept in captivity and partly free – shall be subject to a fine from GEL 10 to GEL 50.

Article 104. Cruel treatment of animals and birds that has led to their killing or laming, as well as torturing animals and birds – shall be subject to a fine of one minimum wage amount.

Article 128<sup>2</sup>. (1) Primary timber processing on the territory of the state forest fund – shall be subject to a fine of GEL 2 000 along with confiscation of the tool of offense or without it. (2) Primary processing of illegally extracted timber – shall be subject to a fine of GEL 2 000 along with confiscation of timber and/or primary processed products, as well as confiscation of the tool of offense. (3) The action envisaged by part 1 or 2 of this article committed repeatedly – shall be subject to a fine of GEL 4 000 along with confiscation of timber and/or primary processed products, as well as the tool of offense. (4) Timber transportation in the cases envisaged by normative acts of the Ministry of Energy and Natural Resources of Georgia without relevant documents or without special marking – shall be subject to a fine of GEL 1000 along with confiscation of timber or without it. (5) The action envisaged by part 4 of this article committed repeatedly – shall be subject to a fine of GEL 2000 along with confiscation of timber. (51) Transportation of up to one-meter long timber extracted by an individual person on the territory of the state forest fund for heating purposes, in the cases envisaged by normative acts of the Ministry of Energy and Natural Resources of Georgia without relevant documents – shall be subject to warning an individual person along with confiscation of timber or without it. (52) The action envisaged by 51 of this article committed repeatedly – shall be subject to a fine of GEL 500 along with confiscation of timber. (6) Transportation of forest plants extracted on the territory of a self-governing unit or private property in the cases envisaged by normative acts of the Ministry of Energy and Natural Resources of Georgia without relevant documents (except of the cases envisaged by article 1511 of this code) or bringing (placement) to the sawmill without special marking – shall be subject to a fine of GEL 200 along with confiscation of forest plants or without it. (7) The action envisaged by part 6 of this article committed repeatedly – shall be subject to a fine of GEL 400 along with confiscation of forest plants. (8) Transportation of timber extracted as a result of social cutting through violation of the rules set by normative acts of the Minister of Energy and Natural Resources of Georgia or alienation in any form – shall be subject to a fine of GEL 500 along with confiscation of timber or without it.

Article 128<sup>3</sup>. (1) Failure to submit the report (including monthly reports) envisaged by technical regulations of primary processing facilities (sawmills) or special signs of timber marking to a relevant body within the terms defined by the normative act of the Minister of Energy and Natural Resources of Georgia, as well as violation of the established rules of submitting a relevant application in case of losing or damaging a special sign and/or its control sign – shall be subject to a fine of GEL 500. (2) The action envisaged by part 1 of this article committed

repeatedly – shall be subject to a fine of GEL 1000. (3) Violation of the requirements of technical regulations of a primary processing facility (sawmill) defined by the normative act of the Minister of Energy and Natural Resources of Georgia (except of the cases envisaged by parts 1 and 2 of this article) – shall be subject to a fine of GEL 2000 along with confiscation of illegally extracted timber/forest plants or primary processed products or without it. (4) The action envisaged by part 3 of this article committed repeatedly - shall be subject to a fine of GEL 4000 along with confiscation of illegally extracted timber/forest plants or primary processed products. (5) Committing an offense envisaged by parts 3 or 4 of this article during the year after imposing an administrative penalty for the offense committed under parts 3 and 4 of this article in respect of receiving, keeping, processing illegal timber/forest plants or non-use of a relevant register envisaged by technical regulations – shall be subject to a fine of GEL 4000 along with confiscation of illegal timber/forest plants and/or primary processed products as well as saw machines and equipment.

Article 128<sup>4</sup>. (1) Violation of the requirements set by a relevant normative act of the Minister of Energy and Natural Resources for marking imported timber – shall be subject to a fine of GEL 1000. (2) The same offense committed repeatedly – shall be subject to a fine of GEL 2000 along with confiscation of timber.

Article 128<sup>5</sup>. (1) Violation of the document on timber origin and the rules of using special signs, timber marking and registration, also failure to submit unused and/or damaged forms of special timber marking signs under the rule set by the normative act of the Minister of Energy and Natural Resources – shall be subject to a fine of GEL 1000. (2) The action envisaged by part 1 of this article committed repeatedly – shall be subject to a fine of GEL 2000.

Article 146<sup>1</sup>. (1) Throwing municipal waste by pedestrians or from motor cars on the roads – shall be subject to a fine of GEL 50 for a pedestrian or driver of a motor car. (11) Throwing, leaving municipal waste or littering boulevards, parks, squares or beaches with household waste – shall be subject to a fine of GEL 50 for individual persons, and GEL 500 for legal entities. (2) Throwing construction and household waste, unfit constructions, materials, items on the roads and rocks, rivers, lakes and their banks, slopes and ravines, parks, gardens, squares, lawns, yards, pitches, parking lots, markets and other places, violation of the rules of waste removal, transportation and cleaning – shall be subject to a fine of GEL 200 for individual persons and GEL 1000 – for legal entities, institutions and organizations. (3) The action envisaged by part 2 of this article committed repeatedly – shall be subject to a fine of GEL 500 for individual persons and GEL 3000 – for legal entities, institutions and organizations. (4) Failure to conclude an agreement by a legal entity, individual entrepreneur, company or organization on waste removal with the waste removing companies (in case of availability of relevant services by waste removing facilities in a relevant settlement of a relevant municipality) – shall be subject to a fine of GEL 500. (5) The offense envisaged by part 4 of this article committed repeatedly – shall be subject to a fine of GEL 5000.

Article 146<sup>2</sup>. Throwing, leaving municipal waste or littering the territory of the capital city by pedestrians or motor car drivers – shall be subject to a fine of GEL 50 for a pedestrian or driver of a motor car. (2) Throwing construction and household waste, unfit constructions, materials, items on the roads and rocks, rivers, lakes and their banks, slopes and ravines, parks, gardens, squares, lawns, yards, pitches, parking lots, markets and other places, violation of the rules of waste removal, transportation and cleaning – shall be subject to a fine of GEL 200 for individual persons and GEL 1000 – for legal entities, institutions and organizations. (3) The action envisaged by part 2 of this article committed repeatedly – shall be subject to a fine of GEL 500 for individual persons and GEL 3000 – for legal entities, institutions and organizations. (4) Failure to conclude an agreement by a legal entity, individual entrepreneur, company or organization on waste removal with the waste removing companies – shall be subject to a fine of GEL 500. (5) The offense envisaged by part 4 of this article committed repeatedly – shall be subject to a fine of GEL 5000.

Article 148. (1) Violation of the rules of accomplishment of the territories of the cities and other settlements, as well as non-observance of the rules of providing cleanness and order in the cities and other settlements, taking no care for the territories attached to the enterprises, institutions, organizations and/or adjacent territories, arbitrary throwing of construction or other waste on it – shall be subject to a fine of GEL 200 for individual persons and GEL 1000 for legal entities, institutions, and organizations. (2) The same action committed repeatedly - shall be subject to a fine of GEL 1000 for individual persons and GEL 5000 for legal entities, institutions, and organizations. (3) Leaving domestic animals and/or cattle on the territory of a self-governing city under control or without any control through violation of the rules set by the representative body of a self-governing city, except of agricultural lands owned and/or used by cattle owner – shall be subject to a fine of GEL 20 for a cattle owner. (4) Leaving domestic animals and/or cattle in boulevards, parks, squares or beaches under control or without any control – shall be subject to a fine of GEL 50 for cattle owner.

Article 150. (1) Arbitrary making of various inscriptions, paintings, symbols on building facades, show-windows, fences, columns, plants, as well as placement of banners, slogans, posters on the places, which are not allocated for this purpose, leaving fences and buildings unpainted – shall be subject to a fine of GEL 50. (2) The same action committed repeatedly – shall be subject to a fine of GEL 500. (21) Arbitrary making of various inscriptions, paintings, symbols on the facades of administrative buildings, as well as on their adjacent territories, including on pavements and motor roads – shall be subject to a fine of GEL 500. (22) The action envisaged by 21 of this article committed repeatedly shall be subject to a fine of GEL 1000 or, if proceeding from the circumstances of the case or the personality of an offender, this punishment measure is not considered sufficient – administrative imprisonment for a term of up to 30 days. (3) The offense envisaged by part 1 of this article committed in the cultural heritage protection zone defined by the Law of Georgia on Cultural Heritage – shall be subject to a fine of GEL 1000. (4) The offense envisaged by part 3 of this article committed repeatedly – shall be subject to a fine of GEL 2000. (5) Failure to liquidate the violation envisaged by this article within 10 days after being fined – shall be subject to a fine of GEL 500.

Article 151. (1) Damaging green plants on the land owned by a self-governing unit and/or their arbitrary cutting, or damaging the territory allocated for planting of greenery – shall be subject to a fine of GEL 500 along with confiscation of the tool of offense. (2) The same action committed repeatedly – shall be subject to a fine of GEL 1000 along with confiscation of the tool of offense. (3) Damaging and/or destruction of green plants in the boulevards, parks or squares existing on the territory of a self-governing city by domestic animals – shall be subject to a fine of GEL 50 for the owner.

Article 151<sup>1</sup>. (1) Damaging, arbitrary cutting and/or taking of green plants on the territory of Tbilisi, violation of the rules of tending and restoration of green plants – shall be subject to a fine of GEL 500 along with confiscation of the subject and tool of offense or without it. (2) The same action committed repeatedly - shall be subject to a fine of GEL 1000 along with confiscation of the subject and tool of offense or without it.

Article 152. (1) Arbitrary digging of yards, streets and squares, their blocking with construction materials, leaving the places being dug without returning them to their primary state – shall be subject to a fine of GEL 200 for an individual person and GEL 1000 – for legal entities, institutions or organizations. (2) The same action committed in the cultural heritage protection zone defined by the Law of Georgia on Cultural Heritage – shall be subject to a fine of GEL 1000 for an individual person and GEL 3000 – for legal entities, institutions and organizations. (3) Failure to liquidate the violation envisaged by this article within 10 days after being fined – shall be subject to a fine of GEL 1000 for an individual person, and GEL 3000 – for legal entities, institutions and organizations.

Article 152<sup>3</sup>. Arbitrary digging of yards, streets and squares, their blocking with construction materials, leaving the places being dug without returning them to their primary state and/or violation and/or non-fulfillment of conditions set for carrying out the works by an authorized agency – shall be subject to a fine of GEL 500 for an individual person and GEL 2000 – for legal entities. (2) The same action committed in the cultural heritage protection zone defined by the Law of Georgia on Cultural Heritage – shall be subject to a fine of GEL 1000 for an individual person and GEL 4000 – for legal entities.

Article 165<sup>2</sup>. Avoiding payment of a tax on the utilization of minerals – shall be subject to a fine from GEL 800 to GEL 1000.

Article 173<sup>5</sup>. Hampering the activities carried out by authorized state control and supervisory bodies or officials – shall be subject to a fine of about 150-300 minimum wage amounts.

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Association Green Alternative is a non-governmental, non-profit organization founded in 2000. The mission of Green Alternative is to protect the environment, biological and cultural heritage of Georgia through promoting economically sound and socially acceptable alternatives, establishing the principles of environmental and social justice and upholding public access to information and decision-making processes.

We organize our work around six thematic and five cross-cutting areas. Thematic priority areas include: energy – extractive industry – climate change; transport sector and environment; privatization and environment; biodiversity conservation; waste management; water management. Cross-cutting priority areas include: environmental governance; public access to information, decision-making and justice; instruments for environmental management and sustainable development; European Neighbourhood Policy, monitoring of the lending of the international financial institutions and international financial flow in Georgia.

Green Alternative cooperates with non-governmental organizations both inside and outside Georgia. In 2001 Green Alternative, along with other local and international non-governmental organizations, founded a network of observers devoted to monitoring of development of a poverty reduction strategy in Georgia. Since 2002 Green Alternative has been monitoring implementation of the Baku-Tbilisi-Ceyhan oil pipeline project, its compliance with the policies and guidelines of the international financial institutions, the project's impacts on the local population and the environment. Since 2005 the organization has been a member of the Monitoring Coalition of the ENP (European Neighbourhood Policy) Action Plan. In 2006 Green Alternative founded an independent forest monitoring network. Since establishment Green Alternative is a member of CEE Bankwatch Network - one of the strongest networks of environmental NGOs in Central and Eastern Europe. Green Alternative closely cooperates with various international and national organizations and networks working on environmental, social and human rights issues; Green Alternative is a member of the Coalition Transparent Foreign Aid to Georgia founded in 2008. In 2010 Georgian Green Network was established on the initiative of Green Alternative. This is informal association of civil society organizations and experts dedicated to protecting environment, promoting sustainable development and fostering principles of environmental and social justice in Georgia.

In 2004 Green Alternative received the Goldman Environmental Prize as the recognition of organization's incredible work for environmental protection, social justice and equity.