



Georgia

Deloitte Legal

19 April 2021

## Georgian Legal News

### Refer to the Law

#### Decision of State Inspector's Service of Georgia

On 12 April 2021, the State Inspector's Service published its decision on a case of unauthorised disclosure of video recordings on social media.

In the case under consideration, a private individual recorded videos and published them on his YouTube channel for commercial and promotion purposes. It appeared that another private individual featuring in one of the videos was recorded without his knowledge and consent. After the author uploaded the video to his YouTube channel, it spread across the Internet. The individual featuring in the video requested that the author remove the episodes with his image from the video. The author, however, did not remove the image completely, covering the face only.

The State Inspector considered the facts and ruled that featuring, without one's knowing and consent, in a video where one appears in an awkward and/or embarrassing situation may harmfully interfere with one's privacy. To release such video, its participants must be notified and their consent obtained.

## The Law of Georgia On the Rehabilitation and Collective Satisfaction of Creditors

As of 1 April 2021, the Law on the Rehabilitation and Collective Satisfaction of Creditors had fully come into effect. Its main objective is to enable the rehabilitation of entrepreneurs.

The new law introduces a number into the existing bankruptcy regulations:

- an insolvency practitioner and also it will have to be mandatorily involved into any type of insolvency proceedings
- a regulated agreement is introduced, whereby the debtor will have the right, without a substantial intervention of the court, to seek solutions to cope with financial difficulties and achieve agreement with creditors
- new rules will regulate the different application for, cancellation, and termination of a bankruptcy moratorium; moratorium-related measures will be divided into legal and discretionary measures

- the concept of the Special Regime Status debtor is introduced: the court may grant this status to a debtor, if suspension or termination of its activities would result in a substantial damage to the state and/or public interest. Such debtor's assets can only be sold in a bundle or in a manner not interfering with the continuity of its business activities
- the concept of international insolvency will be used where cross-border issues arise, such as the recognition of insolvency proceedings started abroad, insolvency of a foreign entrepreneur, labour relations, contracts related to real estate, etc.

In line with the new law, on 30 March 2021, the Ministry of Justice signed Order No. 696. The Order approves the rules and conditions for the authorisation of insolvency practitioners, provides for setting up of a unified register of insolvency practitioners, enables selection of practitioners through the electronic system, sets forth the requirements for obtaining the status of insolvency practitioner, sets forth the list of required documents for the authorisation, the stages, types, and grounds for terminating the authorisation, etc. The Order entered into effect on 31 March 2021.

# Contacts

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



**Giorgi Tavartkiladze**

Director of Tax & Legal Department

[gtavartkiladze@deloitte.ge](mailto:gtavartkiladze@deloitte.ge)



**Giorgi Khurodze**

MLB (Bucerius/WHU)

Head of Legal,  
Attorney at Law

[gkhurodze@deloitte.ge](mailto:gkhurodze@deloitte.ge)

## Tbilisi

### King David Business Center

12 Merab Aleksidze Street, 15<sup>th</sup> floor

Tbilisi, 0171,

Georgia

Tel: +995 (32) 224 45 66

Fax: +995 (32) 224 45 69

[deloitte.ge](http://deloitte.ge)



Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited (“DTTL”), its global network of member firms, and their related entities. DTTL (also referred to as “Deloitte Global”) and each of its member firms are legally separate and independent entities. DTTL does not provide services to clients. Please see [www.deloitte.com/about](http://www.deloitte.com/about) to learn more.

Deloitte is a leading global provider of audit and assurance, consulting, financial advisory, risk advisory, tax and related services. Our network of member firms in more than 150 countries and territories serves four out of five Fortune Global 500® companies. Learn how Deloitte’s approximately 330,000 people make an impact that matters at [www.deloitte.com](http://www.deloitte.com).

This communication contains general information only, and none of Deloitte Touche Tohmatsu Limited, its member firms or their related entities (collectively, the “Deloitte network”) is, by means of this communication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser. No entity in the Deloitte network shall be responsible for any loss whatsoever sustained by any person who relies on this communication.