



Georgia

Deloitte Legal

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## Georgian Legal News

### Refer to the Law

#### Amendments to the Law on Money Laundering and Facilitating the Prevention of Terrorism Financing

Parliamentary Committees are discussing the Amendments to the Law on Money Laundering and Facilitating the Prevention of Terrorism Financing.

According to the Amendments the limitations of the applicability of the law to accountable persons is being tightened and accountable persons become obliged to reflect the risks of money laundering and terrorism financing related to their activity. Amendments also determine authority of the Financial Monitoring Agency to carry out operational and strategic analysis.

## Regulatory framework for mortgage-backed bonds

On 15 March 2023 the President of the National Bank of Georgia issued the Order № 56/04 on Approval of the Regulatory Framework for Mortgage-backed Bonds.

The Order regulates granting the authorization to commercial banks by the National Bank of Georgia for issuing the mortgage-backed bonds, granting of consent for the implementation of the mortgage-backed bond program and regulatory issues related to issuer's debtor, including:

- requirements to be met by a commercial bank in order to obtain authorization to issue mortgage-backed bonds and to obtain approval for the implementation of the mortgage-backed bond program;
- rules and frequency for reporting by a commercial bank;
- issues of securing the obligations of the mortgage-backed bond program with the relevant assets of the issuing commercial bank and satisfying the liquidity requirements (liquidity buffer).

Information/documents provided by the Order shall be submitted to the National Bank of Georgia via e-mail to the following address: [CB@nbg.gov.ge](mailto:CB@nbg.gov.ge). National Bank of Georgia is also authorized to request hard copies of the submitted documents.

## Amendments to the Law on Public Procurement

On 23 March 2023, Parliament adopted the amendment to the Law on Public Procurement with its third reading.

The Amendments are tailored to the needs of small-budget purchasing organizations that provide educational and/or social services and increase the monetary limits defined by the law for a simplified procurement.

Current regulations allow the purchaser organization to apply simplified procurement if the sum of purchases during the year does not exceed five thousand GEL. According to the Amendments, the monetary limit for using the simplified procurement increases up to ten thousand GEL for the purchase of goods and services and up to twenty thousand GEL for the purchase of construction work services.

# Contacts

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



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