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EUROPEAN COMMISSION FOR DEMOCRACY THROUGH LAW
(VENICE COMMISSION)

**ORGANIC LAW OF GEORGIA ON POLITICAL UNIONS
OF CITIZENS**

Chapter I General Provisions

Article 1

A political union of citizens (hereinafter referred to as a “party”) is a voluntary and independent association founded on citizens’ common vision and organizational basis and registered in accordance with procedure established by this Law, which operates on the basis of the Georgian Constitution and legislation.

Article 2

A party as an essential constitutional and legal part of a free democratic society participates in the forming and expressing the citizens’ political will by means of elections and other means permitted under law.

Article 3

A party shall be established and shall operate on the following principles:

- a) voluntary entry into and leave of membership of a party;
- b) independence and self-governance;
- c) electivity and accountability;
- d) equality of parties before the law;
- e) publicity of formation and functioning of parties.

Article 4

A party is a not-for-profit legal entity. It is subject to provisions of Civil Law that do not contradict this Law.

Article 5

1. Every citizen of Georgia has a constitutional right to participate in forming and functioning of a party.

2. It is impermissible to form and operate a party, which is aimed at subversion or forced change of constitutional order of Georgia, infringement upon the country’s independence, interference with its territorial integrity or which propagates war or violence or kindles a national, community, religious or social feud.

Article 6

No party shall be established according to a regional or territorial principle.

Article 7

1. The State shall secure protection of parties’ rights and lawful interests.

2. Interference by state bodies or officials with the party’s functioning shall be impermissible save when so prescribed by law.

Chapter II

Founding and organizing the functioning of a party

Article 8

Every citizen of Georgia having the electoral right is entitled to participate in founding and functioning of a party.

Article 9

A citizen of Georgia may be a member of only one party.

Article 10 (22.03.2005 N 1136 shall come into force upon entry into force of the Law of Georgia on Financial Police)

A citizen who enters into service of military forces, interior bodies or is appointed in the relevant department of the Ministry of Finance as servant with a special authority or as a judge or a prosecutor as well as in other circumstances prescribed by law shall lose his/her membership of a party.

Article 11

Membership of a party may not be restricted on account of race, colour, language, gender, religion, national, ethnic or social belonging, origin, property status, rank or place of residence.

Article 12

1. For the purpose of founding a party, a group of at least 300 citizens, without prior warning, holds a founding meeting (conference, congress, assembly, etc) of the party.
2. At the founding meeting, the statute of the party is adopted.
3. A notary attends the meeting and verifies a protocol thereon.

Article 13

1. A statute of a party shall include:
 - a) its title as well as any abbreviation (if any) denoting it;
 - b) legal address;
 - c) goals and the ways they are to be attained;
 - d) rules of entry into and leave of membership;
 - e) rights and obligation of its members;
 - f) organizational structure;
 - g) rules of forming governing, executive and supervisory bodies as well as their competence and official tenure;
 - h) list of officials holding general and specific authorization of representation and scope of the authorization;
 - i) rules of generating and use of the party's property;
 - j) rules of introducing amendments and addenda to the statute;
 - k) rules on ceasing of functioning (re-organization and self-liquidation);
 - l) description of the party symbols, if any.
2. The statute may also include other provisions relating to the functioning of the party provided that they do not contradict the applicable legislation.

Article 14

1. The party's title, abbreviation or symbols may not be the same as those of already registered or liquidated parties, except if 4 years have elapsed following liquidation of the relevant party.
2. Use of the party's title, abbreviation or symbol without the consent thereof shall be impermissible.

Article 15

1. Competent bodies named in the statute of a party independently decide on granting the party membership to a person in accordance with procedure determined in the statute of the party. It is not necessary to provide explanation of refusal to grant a party membership.
2. Any person is entitled to leave membership of a party.
3. Disciplinary sanctions, grounds for imposing disciplinary sanctions and bodies having competence to impose such sanctions shall be determined by the statute of the party.
4. Decision on excluding a person from the membership of a party shall be taken by a body named in the statute of the party. Such a decision including its reasoning shall be made in written. It may be appealed against in a superior body of the party.

Article 16

1. Governing, executive and supervisory bodies shall be as follows: a general meeting of the members of the party (congress, assembly, conference, etc), a board (council, secretariat, committee, etc), and an auditing commission (supervisory commission, control commission, etc).
2. The statute of a party may envisage other bodies and governing posts within the party as well.

Article 17

1. A general meeting of members of a party (governing body) is its highest representative body. It shall be convened at intervals specified in the statute but not less than once every 4 years.
2. Unless the statute provides otherwise, every member of the party may participate in the general meeting. The statute may envisage participation in the general meetings by representatives elected by members of the party. Number of such representatives shall be determined by the statute or a decision of the board but at least 200 representatives shall be elected.
3. A decision at the general meeting shall be taken if more than a half of party members are attending the meeting. The statute may prescribe a higher quorum.
4. Unless the statute provides otherwise, decisions at the general meetings are taken by a majority of votes of members attending the meeting.
5. Adoption of a statute, introducing amendments and addenda to it, election of the party's governing, executive and supervisory bodies, reorganization and liquidation as well

as other matters as defined by this Law are a special competence of a the party's general meeting.

Article 18

1. An executive body of a party (the board) shall consist of at least 3 members and shall be elected by a general meeting of the party for a term established by the statute of the party.
2. The board may take decisions if at least more than a half of the board members are attending the board meeting. The statute may envisage a high quorum.
3. The board takes decisions by a majority of votes of members attending its meeting. The statute may envisage that decisions on certain matters require a qualified majority.

Article 19

1. A supervisory body of a party (an auditing commission) shall consist of at least 3 members and shall be elected by a general meeting of the party for a term established by the statute of the party.
2. The commission may take decisions if at least more than a half of the commission members are attending its meeting. The statute may envisage a high quorum.
3. The commission takes decisions by a majority of votes of commission members attending its meeting. The statute may envisage that decisions on certain matters require a qualified majority.
4. Conducting an audit of financial and auditing documents of a party is the special competence of the auditing commission. The auditing commission may also have other control functions pursuant to the party's statute.

Article 20

Rules of convening a general meeting, a board and an auditing commission of a party as well as their competence shall be determined by a statute of the party pursuant to requirements under this Law.

Article 21

1. A party may establish its units (branches, subsidiaries, representation offices, young members' organizations, etc) without a status of a legal entity.
2. Unless the statute of the party provides otherwise, a bylaw of the unit shall be approved by the board of the party.
3. If a party unit operates on the entire territory of Georgia, the board of the party (or its leader) shall, within a month, send the bylaw of the unit and a notary-verified copy (copies) of a signature(s) of a person (persons) authorized to represent the unit to the Ministry of Justice of Georgia.
4. If a party unit operates on a specific administrative territory of Georgia, the board of the party shall, within a month, send the bylaw of the unit, the statute of the party and a notary-verified copy (copies) of a signature(s) of a person (persons) authorized to represent the unit to the appropriate local governance body.

Article 22

1. A party shall be registered in the Ministry of Justice of Georgia.
2. Within a week of holding a general meeting of the party, the Ministry of Justice of Georgia shall receive the following documents:
 - a) an application for registration signed by the party leader (leaders);
 - b) a notary-verified protocol of the party's founding meeting;
 - c) a list of at least 1,000 members of the party signed by the party leader (leaders);
 - d) the statute of the party;
 - e) a certificate of legal address and telephone of the party;
 - f) a notary-verified copy (copies) of a signature(s) of a person(s) authorized to represent the party;
 - g) samples of a seal, emblem and other symbols of the party, if any.

Article 23

1. Minister of Justice of Georgia verifies accuracy of documents submitted and decides on registration of the party within a month following the date of submission of the required documentation.
2. A registering body, having reviewed the submitted documentation, takes one of the following decisions:
 - a) to register the party;
 - b) to refuse registration.
3. If the party is registered, the registering body hands the registration certificate to the appropriate party within 7 days of passing a decision on registration.
4. A party may be refused to be registered if its statute or other documents submitted contradict the Georgian Constitution or stipulations of this Law.
5. If registration is refused, the registering body must notify in writing the applicant thereon within 7 days following such decision; the decision shall include reasons of refusal.
6. The party whose registration has been refused may appeal against this decision within a month before a court.
7. If the applicant eliminates grounds for refusal of registration, it may re-submit documents for registration.
8. If, within the term specified in this Article, a party is not officially registered and the applicant does not receive a notification of refusal and if the submitted documents comply with the requirements of this Law, the party shall be considered registered and the Ministry of Justice of Georgia must, within 7 subsequent days, issue a certificate of registration.

Article 24

1. A party shall inform the Ministry of Justice of any amendments made to its statute within 10 days of adopting the amendment and shall submit relevant documentation.
2. Amendments shall be registered in accordance with rules and terms established by Article 23 of this Law.

3. Depending on the amendment made to the statute, the amendment becomes effective only following its registration.

Chapter III Property and funds of a party

Article 25

1. A party's property may be made up of:
 - a) membership fees;
 - b) donations by natural persons and legal entities;
 - c) state funds when so prescribed by law;
 - d) income received from producing and distribution of the party symbols, holding lectures and exhibitions and other similar events as well as publications and other activity as determined by the party's statute, provided that such income does not change the not-for-profit status of the party.
 - e) Donations received as a result of public events.

2. A party may not engage in auxiliary entrepreneurial activities except for the purposes indicated in paragraph 1 of this Article.

Article 26 (16.12.2005 N2260)

1. It is forbidden to accept physical and material contributions from:
 - a) physical and juridical persons of other countries, international organizations and movements, except when/if lectures, workshops and other public arrangements are held;
 - b) a state entity, juridical person of public legislation, state organization and the venture, in which the share of the state is above 10%, except cases envisaged by this Law;
 - c) a non commercial juridical person and a religious organization except when/if lectures, workshops and other public arrangements are held;
 - d) citizens having no citizenship;
 - e) Donations received a results of public events.

2. The juridical person making a contribution shall indicate its name and juridical address, as for physical persons, they shall indicate their name, address, number of the ID card of a citizen of Georgia (Passport of a citizen of Georgia) and personal numbers.

3. Money contributed without indication of the details given in the second point of this Article will be considered as anonymous. Anonymous contributions should be immediately transferred into the state budget of Georgia by the official person responsible for financial activities of the political amalgamation.

4. The requirement defined in paragraphs 2 and 3 of the present Article does not concern the donations received as a results of public event. The amount of contributions received as a result of public event should not exceed 30 000 lari per year.

5. A person responsible for the financial activities of a party is obliged to transfer all the donations received as a result of a public event to the account of the party within 7 days.

6. Information on the financial donations of a party, including the information on the data provided in paragraph 2 of the present Article is public. The Central Election Commission of Georgia shall ensure the accessibility of the mentioned information in accordance with the legislation.

Article 27

1. An overall value of financial and material donations received by a party in a year shall not exceed:
 - a) 30 000 Lari from a natural person;
 - b) 100 000 Lari from a legal entity.
2. The restrictions defined in paragraph 1 of the present Article concern all kind of donations, including the services provided for the party purposes and on party's behalf (with party's name).
3. The party membership fees, as well as money donations from the natural persons and legal entities shall be paid only via banks. This restriction does not concern the contributions made by a natural person, if the amount does not exceed 300 lari per year.
4. It is prohibited to make a donation on other persons/entities behalf.

Article 28

1. Financial and material donations received in violation of this Law shall be within one month handed over to the state treasury by the recipient party.
2. If a party fails to comply with a requirement under paragraph 1 of this Article, financial and material donations received in violation of this Law will be forcedly transferred to the state budget. In addition, if an overall value of these donations per year is:
 - a) 2 000 to 15 000 Lari, the party will not receive state funds for subsequent 1 year;
 - b) 15 000 to 50 000 Lari, the party will not receive state funds for subsequent 2 years;
 - c) More than 50 000 Lari, the party will not receive state funds for subsequent 4 years.
3. In relation to parties that do not have the right to receive state funds, sanctions defined in paragraph 2 of this Article will be applied after they acquire this right.

Article 29

Rules of allocation of state funds for parties' election campaign are governed by elections legislation of Georgia.

Article 29¹

1. A certain amount of funds from the state budget shall be allocated annually for financial support of party activities and for facilitating creation of healthy, competitive political system.
2. Funds allocated in accordance with the paragraph 1 of the present Article shall be distributed among parties and non governmental organizations (NGOs) in compliance with the following rule:
 - a) Transferring funds directly from the state budget to the political parties;
 - b) Distributing funds among parties and NGOs from a fund, in accordance with the present law.

Article 30

1. Funds from the state budget which are to be directly distributed among political parties shall be transferred to parties in compliance with the present article.

2. Funds from the state budget which are to be directly distributed among political parties, shall go to the political parties, which during the last parliamentary elections overcame the 4% threshold, or parties which during the last local elections overcame the 3 % threshold.

3. The amount of the state funding defined in the present Article shall be composed of the basic funding, bonuses for each member of the parliament elected from the party lists and the component to be defined in accordance with the number of votes received by a party.

4. The amount of the state funding to be received by a party shall be calculated in the following way:

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

Where, Z is the amount of state funding to be received by a party, B is the amount of basic funding, M – is the number of the MPs up to 30 elected from a proportional list, L is the number of the MPs above 30 elected from the party lists, V is the number of the received votes under 200 000; W is the number of the votes received above 200 000.

5. The amount of the basic funding is 150 000 Gel annually.

6. If an election subject (party/election bloc) overcomes the 8% threshold in the last parliamentary elections, or 6% threshold in the last local elections, the basic funding shall equal to 300 000 Gel. The law of Georgia on the respective budget year can define a larger amount of the basic funding.

7. For the purpose of the formula of the present Article, M and L shall equal to zero, if authority of the MPs elected from the proportional list is terminated in accordance with the Georgian legislation. M and L shall also change (reduce or increase) by the relevant amount, if the MPs elected from the party lists shall within 3 months upon certification of their authority leave or join the party which receives a state funding in compliance with the present law.

8. For the purpose of the formula of the present Article the results of the last parliamentary or local elections shall be used based on the parties estimation, in accordance with the terms described by the present Article.

9. If for the purpose of the present Article the results of the election bloc in the respective elections are used, the number of the received votes shall be divided by the number of the parties in the respective bloc.

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

11. The party shall get the state funding only based on the prior written consent which shall be submitted to the Central Election Commission of Georgia annually, not later than 25 November. If party fails to submit in the time frame given above the written consent for receiving the next years state funding, the CEC shall inform the party in written the next day after expiration of the deadline. The party is authorized to submit the relevant consent within 3 days from receiving warning from the CEC. If party fails to submit the relevant consent in the timeframes set by the CEC, it shall loose the right to get next years state funding. The CEC shall inform the party on that in a written form. The CEC is obliged to transfer the money back to the state budget within 5 days after the relevant party loses the right for state funding.

Article 30¹

1. Apart from the state funding defined in the Article 30 of the present law, a certain amount of funds from the state budget shall be transferred to a fund annually. The aim of the fund is to contribute to the development of parties and NGO sector and creation of a healthy and competitive political system.
2. The funding of parties and NGOs from the fund shall be held in accordance with the present Article.
3. The functions of a fund defined in the present Article shall be carried out by a public legal entity – development and reform fund.
4. The amount of funds to be transferred from the state budget to the fund, shall not be less than half of the amount which is to be directly distributed among parties in accordance with the Article 30.
5. Transferring of money from the state budget to the fund shall be conducted on a quarterly basis.
6. Other sources can be used as well for accumulating money in the fund.
7. 50% of the money transferred from the state budget to the fund shall be distributed among parties and 50% among NGOs.
8. The amount of funds in the fund allocated for the parties shall be distributed among parties proportionally with their basic funding.
9. Funds from the fund are released only for financing researches, studies, conferences, official visits and regional projects.
10. The grants for the NGOs shall be released only based on the submitted projects aimed at party development. The amount of money to be transferred to one NGO shall not exceed the 5% of the total amount of money allocated for NGOs. While reviewing the NGOs' projects at least 3 international experts or the representatives of the foreign funds with the relevant experience shall participate in the activities of the fund with advisory vote.
11. The party shall annually submit a report to the fund on the reasonable usage of the received funds. If the party fails to submit a report in accordance with the law or fails to use the money in accordance with the objectives of the present Article the party financing from the fund shall be seized for one year.
12. If parties or NGO sector will not be able to use the money from the fund, the money shall be transferred to the next year.

Article 31

Funds referred to in Article 30 of this Law will be transferred to the party's account proportionally each month.

Article 32

1. Each party shall, before February 1 of each year, publish in the press its financial declaration together with an auditor's (auditing firm's) conclusion. The declaration shall indicate the yearly income (including the membership fees and amount of donations, data of

the natural persons and legal entities who provided donations, the finances allocated by the state as well as finances received as a result of publications or other party activities) and expenditure of the party (spent on elections, financing of various activities, remuneration, official trips and other expenditures) as well as a report on its existing property (owned buildings, quantity and type of means of transportation, their total value, the amount of money the party has on the bank accounts).

2. Income and expenditure relating to elections shall be shown separately in the declaration.

3. In case party unites in a bloc for the elections, the following amount shall be considered to be received and used by the party: the amount of money received and used by a party before uniting in a bloc and the amount of money received and used by the bloc divided by the total number of parties in the bloc.

4. Within 10 days of publication, the party shall send copies of the published declaration and auditor's (auditing firm's) conclusion to the Central Election Commission of Georgia and local tax body (in accordance with party's legal address) .

Article 33

1. Party shall yearly conduct the financial audit of its activities

2. For the purpose of conducting an audit, a party is entitled to address any independent auditor.

3. The conclusion of an independent auditor on the financial status of a party shall be submitted to the Central Election Commission of Georgia.

Article 34

If a party fails to timely publish its financial declaration, it shall not be entitled to receiving state funds indicated in Article 30 of this Law for subsequent 1 year.

Chapter IV Termination of a Party's activity

Article 35

A party may be proscribed only by decision of the Constitutional Court of Georgia, in accordance with procedure and where so proscribed by this Law.

Article 36

The Constitutional Court of Georgia may proscribe a party, which is aimed at subversion or forced change of constitutional order of Georgia, infringement upon the country's independence, interference with its territorial integrity or which propagates war or violence or kindles a national, community, religious or social feud.

Article 37

1. Activity of a party may also be terminated by means of its reorganization (merger, accession or separation) or self-liquidation.

2. A party may be reorganized by decision of its general meeting. The party (parties) emerged as a result of reorganization shall be registered in accordance with rules prescribed by this Law.

3. If reorganization of a party is decided, its general meeting shall also decide on distribution of the party's property in accordance with established rules.

4. Self-liquidation of a party may be effected by decision of its general meeting in accordance with rules prescribed by the party's statute.

Article 38

Property of a proscribed or self-liquidated party shall be handed over to the state treasury.

Article 39

10. For the purpose of receiving the 2009 state funding the parties shall submit the prior consent to the CEC not later than 31 January 2009.

Chapter V Transitional Provisions

Article 39

1. Parties registered under Law of Republic of Georgia on Citizens' Political Associations as of 10 August 1991 shall undergo registration anew in accordance with this Law before 1 March 1998.

2. If a party is registered anew, requirements under Articles 12 and 22(2)(b) of this Law shall not apply to that party.

3. Deleted.

4. Deleted.

5. Deleted.

6. Deleted.

7. The rule defined in Article 30.10 of the present law, before 1 January 2011, shall not concern the parties which shall get the state funding in accordance with the results of elections conducted before 1 October 2007.

8. Deleted

9. The rule defined in Article 30.6 of the present law concerns the results of the elections conducted after 1 October 2007.

10. For the purpose of receiving the 2009 state funding the parties shall submit prior consent to the Central Election Commission not later than 31 January 2009.

Chapter VI
Concluding Provisions

Article 40

This Law shall enter into force upon its promulgation.

Article 40¹

Paragraph 3 of the Article 26 of the present law shall enter into force from the 1 January 2009.

Article 41

Entry into force of this Law shall invalidate the Law of Republic of Georgia on Citizens' Political Associations as of 10 August 1991 (Herald of the Supreme Council of Georgia, 1991, 18, Article 591).

Eduard Shevardnadze
President of Georgia
Tbilisi
31 October 1997
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