**Government of Georgia**

**Decree No. 106**
June 5, 2009
Tbilisi

**On the Establishment of the Kutaisi Free Industrial Zone**

**Article 1**

Pursuant to Articles 4 and 5 of the Law of Georgia "On Free Industrial Zones":

1. A **Kutaisi Free Industrial Zone** (hereinafter – Kutaisi FIZ) shall be established in the city of Kutaisi, on the territory of the former automobile factory, located at 88 Avtomshenebeli Street, on a land plot of 269,014.27 sq.m (cadastral code of land/real estate No. 03 01 01 298).
   The duration of operation of the Kutaisi FIZ shall be determined as **99 years**.
2. The authority of the organizer/administrator of the Kutaisi FIZ shall be exercised by **LLC "Georgian International Holding"** (Registration No. 204565577; registering authority – Tbilisi Regional Center of the Revenue Service of the Ministry of Finance of Georgia (Tax Inspectorate)).
3. The commencement date of operation of the Kutaisi FIZ shall be **July 1, 2009**.
4. For the purpose of launching the Kutaisi FIZ, the organizer/administrator shall, no later than June 10, 2009, ensure the implementation of the following measures:

a) Fulfillment of the parameters specified in Order No. 1263 of May 15, 2009 of the Revenue Service of the Ministry of Finance of Georgia "On Determining the Conditions Necessary for the Establishment of a FIZ", including:

- Compliance with requirements related to buildings and infrastructure necessary for customs control procedures, types and quantities of equipment, and security standards;
- Equipping buildings with office equipment, computer systems, electronic data transmission networks, image recording systems and, where necessary, audio recording devices agreed with the Revenue Service of the Ministry of Finance of Georgia;
- Equipping warehouses with loading and unloading equipment for goods transported by vehicles;

b) In the event of changes to the obligations imposed by Order No. 1263 (May 15, 2009), submission of relevant information to the Revenue Service of the Ministry of Finance of Georgia for amendment of the order;

c) Arrangement of the territory and customs checkpoints in accordance with Georgian legislation.

5. No later than July 10, 2009, the organizer shall develop and submit to the Ministry of Economic Development of Georgia for approval the Kutaisi FIZ Development Regulation Plan in accordance with Government Decree No. 131 of June 3, 2008 "On Approval of the Rules for Establishment, Arrangement and Functioning of Free Industrial Zones".
6. No later than June 25, 2009, the organizer shall submit an appropriate guarantee in the amount and manner determined by Government Decree No. 157 of July 9, 2008 "On Determining the Amount of Guarantee to Be Submitted for Establishment of a Free Zone, the Conditions for Establishment and Functioning, Storage of Goods and Customs Control Procedures".
7. No later than June 25, 2009, the organizer shall conclude an agreement with the Government of Georgia regarding mutual obligations as defined by Government Decree No. 131 of June 3, 2008.
8. During the entire period of operation of the FIZ, the organizer/administrator shall ensure compliance with the requirements established by Order No. 1263 (May 15, 2009) of the Revenue Service of the Ministry of Finance of Georgia and Georgian legislation.

**Article 2**

State services and supervision within the Kutaisi FIZ shall be carried out through state authorities located outside its territory.

**Article 3**

The Ministry of Economic Development of Georgia and the Ministry of Finance of Georgia shall ensure implementation of the measures provided by legislation for the execution of this Decree.

**Article 4**

This Decree shall enter into force upon publication.

Prime Minister
**N. Gilauri**