

Georgia

New requirements for employers that hire foreign nationals

Executive summary

Georgia recently implemented new contractual and registration requirements for employers that hire foreign nationals.

Employment agreement requirements

Effective 1 September 2023, an employment contract between an employer in Georgia and a foreign national must include the following information, in addition to complying with the essential conditions outlined in Georgia's Labor Code:

- Employee information (e.g., citizenship, Georgian ID number/ residence card number/passport number, work position and office location)
- Company information (e.g., registration details, legal and operating addresses, bank account information)
- Start date of the contract and applicable criteria
- Rights and responsibilities of the employer and employee

In addition, an employment contract must be implemented for a specified period and written in Georgian and in the employee's native language or in a language that they understand.

Employers that breach the terms of a labor contract with a foreign national will be subject to penalties from GEL 200 (approx. USD 75) up to GEL 1,000 (approx. USD 375). Companies that breach the terms of a contract with a foreign national under 18, a pregnant woman, or a person with disabilities, or those that are found to be in breach of contract more than once in a calendar year, will be subject to double the penalty (i.e., from GEL 400 up to 2,000, or approx. USD 150 to 750).

Registration of foreign nationals

Effective 1 September 2023, employers in Georgia that hire foreign nationals must register these individuals using the <u>unified database</u> of the Ministry of Internally Displaced Persons from the Occupied Territories, Labor, Health and Social Affairs within 30 calendar days of concluding an employment contract. The employer must provide the following as part of the registration:

- Company information (e.g., registration details, legal and operating addresses)
- Details of the company representative, if applicable (Georgian ID number, work position, contact information)
- Employee information (e.g., citizenship, passport validity period, ID number assigned in Georgia (if any), educational and professional experience)
- The position held by the employee and the requirements for this position (e.g., level of education, experience, age, skills and other criteria)
- Start and expiry dates of the employment contract
- ► An electronic copy of the employment contract

Employers are also required to inform the Ministry if a foreign employee's contract is either terminated before expiry or extended, within 30 calendar days of the change going into effect. Companies that do not comply with the new requirements will be subject to a penalty of GEL 1,000 (approx. USD 375) for the first violation, GEL 2,000 (approx. USD 750) for the second violation and GEL 6,000 (approx. USD 2250) for subsequent violations.



Impact on employers

Employers may update their internal policies to ensure they meet the new requirements and avoid penalties.

Key steps

EY will continue to monitor these developments. Should you have any questions, we encourage you to contact one of our immigration professionals.

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