

Georgia

A mountainous republic situated in the heart of the Caucasus range, Georgia has borders with Turkey, Armenia, Azerbaijan, and Russia.

Population: 5,1 million people

Main languages: Georgian (official), Russian, Armenian, Azerbaijani

Climate: subtropical in the West, in the East - transitional from subtropical to moderate and continental in the mountainous areas

Average temperatures: -1°C in winter, +24°C in summer

Local time: GMT+5

Recent developments in the former Soviet republics, especially political tremors and hostilities in Caucasus area, considerably hinder activation of American businesses in the region. As the practice shows, American, European and multinational companies currently express more interest in other regions, than Caucasus or Former Soviet Union in general. However, still there is definite ground for World business circles for expanding their activities in that direction and all the necessary provisions to view the Caucasus region and Georgia in particular as one of the most strategic locations for establishing or expanding beneficial trade-economic and financial operations with wide range of surrounding countries - would that be Russia, other NIS, Middle Asian republics or the Caucasus itself.

Incentives

- There are not any requirements and/or limitations concerning local ownership or participation in ownership;
- All White List STCW certificates of competency are recognised;
- No restrictions on the type, or size of vessel that can be registered;
- Applications may be submitted by fax;
- Georgia is a Member of International Maritime Organization;
- Re-built vessels - are accepted with no limitation provided the owner presents documentary evidence of re-building (confirmed by Classification);
- Recognized classification societies authorized to carry out classification and statutory Survey ABS, BV, DNV, LR, GL, CBS, INCLAMAR, RMRS, NKK, KOREAN REGISTER OF SHIPPING, POLSKI REJESTR STATKOW, HELLENICA REGISTER OF SHIPPING, SHIPPING REGISTER OF UKRAINE.

Eligibility for Registration

There are some limitations concerning the age of the vessels, As per Rules adopted 01.11.2000 the following vessels are accepted for registration:

- Tankers - age up to 20 years;
- Tankers with close trading area or engaged in coastal trade of the country of the owner -25 years;
- Bulk carriers - up to 25 years;
- Bulk carriers with close trading area or engaged in coastal trade of the country of the owner - 25 years;

- Dry cargo vessels - up to 30 years;
- Re-built vessels - are accepted with no limitation provided the owner presents documentary evidence of re-building (confirmed by Classification).

Provisional Registration

Provisional Patent of Registration, Radio License and Minimum Safe Manning Certificates are valid for 3 (three) months.

Following must be submitted by fax:

- Application to register a Ship (Form 1) (Copy);
- Declaration of ownership (Form 2) (Copy);
- Application for ship-radio license (Copy);
- Bill of Sale or Builder's Certificate or Purchase Invoice (Copy);
- Interim Tonnage Certificate (1969) (Copy);
- Cargo ship Safety Radio Certificate for vessels over 300 GRT (Copy);
- Certificate of Class (Copy);
- Certificate of Safe Manning from previous registration (Copy);
- Certificate of navigation from previous registration (Copy).
- DOC / SMC from previous registry (for vessels > 500GRT) (Copy);
- ISSC / CSR issued by previous flag administration (for vessels >500GRT) (Copy);

Permanent Registration

For permanent registration following documents must be submitted in original format. The permanent registration certificates will have one-year validity.

- Application for Registration (original);
- Declaration of Ownership (original);
- Application form for Ship Radio Station License (original);
- Power of Attorney (original);
- Bill of Sale (original);
- Copy of International Tonnage Certificate 1969;
- Copy of Cargo Ship Safety Radio;
- Copy of Class Certificate;
- Deletion Certificate (original);
- Ship's inspection report;
- Two Photos.

Bareboat in Registration

Following documents are required:

- Application to Register a Bareboat Charter Ship (Form 5) (Copy);
- Declaration of Ownership (Form 2) (Copy);

- Bareboat Charter Agreement (Copy);
- Authorisation Letter from underlying registry (Copy);
- International Tonnage Certificate (Copy);
- Certificate of Class (Copy);
- Minimum Safe Manning from underlying registry (Copy);
- Certificate of Insurance in respect of Civil Liability for Oil Pollution Damage (this is required if vessel carries over 2000 mt of crude oil or oil products) (Copy).

Mortgage Registration

Following documents are required:

- Mortgage Deed - Form A4 (Two original copies);
- Mortgage & Loan Agreements (Two original copies);
- Upon receipt of the original mortgage instrument (Deed) the mortgage will be recorded in the ship's register same as in (2) above;
- Registrar endorses mortgage instrument (Deed) and re-issues certificate of ownership with mortgage details.

Seafarer Documents - Endorsements

Georgian Endorsement certificates may only be issued to officers and grade A ratings whose competency certificates are issued by a country in the White List.

Georgian Competency certificates can be issued to seafarers who have a valid national certificate of competency. Their country does not have to be in the White List.

Company Formation

Following documents are required:

- A Minimum Capital requirement for a Limited Liability Company is 2000 GEL; A contribution to the authorized capital can be made by cash or in kind.
- There is no restriction concerning foreign shareholders. In particular, a foreign shareholder (natural person of legal entity) can participate in establishment of a company without any restriction. A foreign shareholder can have ownership interest in a Limited Liability Company without any limitation.
- Limited Liability Company can execute any kind of commercial activities including shipping;
- For the establishment of a Limited Liability Company the following documents and information shall be obtained:
 - Name and legal address of new Company;
 - Shareholders and distribution of shares (ownership interest) in the Company among shareholders;
 - For a foreign company shareholder the following documents should be obtained:
 - Certificate of incorporation (original or certified copy);
 - By-laws (original or certified copy);
 - Name and ID details of the director of the Company;

- Decision of relevant corporate body of the company (Partners Meeting, Board of Directors, etc.) concerning establishment of a new company in Georgia (original or certified copy);
- Power of attorney in favour of a person that would represent the company in connection to the establishment of a new company in Georgia (original or certified copy).
- For a natural person shareholder the following information shall be presented: Name, date and place of birth, address, profession.

The bodies in the Limited Liability Company are partners Meeting and Director(s). Partners' Meeting appoint a director that represents the company to the third parties and governs daily activities. Responsibility of the partners in LLC is limited to the shares.

Authorised Classification Societies

Recognised classification Societies authorised to carry out classification and statutory survey by Georgia:

- ABS
- BV
- DNV
- LR
- GL
- RMRS
- NKK
- Korean Register of Shipping
- Polski Rejestr Statkow
- Hellenica Register of Shipping
- Shipping Register of Ukraine
- Bulgarian Register of Shipping
- CBS (Cyprus Bureau of Shipping)
- INCLAMAR

Statutory survey:

- International Register of Shipping
- ISTHMUS