LAW OF GEORGIA ON SCIENCE, TECHNOLOGY AND THEIR DEVELOPMENT

The Law of Georgia on Science, Technology and their Development forms a legal basis for state policy that is a precondition for the intellectual and technological progress and welfare of the country. The state recognizes that scientific and technological progress is one of the main factors for social development, improvement of the public welfare and for the self-enrichment of people, and that it facilitates the manifestation of intellectual capabilities and economic development of the country. The State ensures the development of humanities, natural and technical sciences as integral parts of national culture and education, and perceives scientific research as a form of creative activity. Activities in the field of development of science and technology include fundamental and applied research and its development plan, application of outcomes, improvement of current technologies and equipment in order to raise the production level and produce competitive products. The State shall draw up a policy in this field in accordance with state interests and capabilities, determine the forms of state participation in the development of science and technology and establish agencies to protect state interests and rights. The Law determines the basic goals and principles of state policy in the field of science and technology, authorities of state legislative and executive bodies in the implementation of the policy, defines creative freedom and responsibilities of scientists and legal rules and guarantees for the activities in this field. The State recognizes its obligation to increase funding for the development of science.

SECTION I GENERAL PROVISIONS

Article 1 - Legislation of Georgia on the development of science and technology

The legislation of Georgia on the development of science and technology consists of this Law and other legislative acts that regulate public relations in this field.

Article 2 – State policy in the field of science and technology and its principles

State policy in the field of development of science and technology is a part of the social and economic policy of Georgia and is a system of strategic goals and objectives supported by legislation that ensures the following:

- a) Development of science, creation and attraction of new technologies, establishment of new or modernization of existing enterprises by using those technologies, and overall support for other innovative activities (creation and application of technological and technical innovations);
- b) Prioritization of certain areas of science and facilitation of their development based on forecasts of the social and economic development of Georgia;
- c) Democratic management and de-monopolization of the field of science and technology, facilitation of the self-regulation of innovative activities, freedom of scientific activities, participation of the scientific community in the development of state policy in the field of science and technology;
- d). Support for gradual integration of intellectual and material potential of scientific and scientific-research institutions;
- e) Support for entrepreneurship and competition in the field of science and technology;
- f) Development of international collaboration in the field of science.

Article 3 – Entities implementing state policy in the field of science and technology

- 1. State authorities are entities implementing state policy in the field of science and technology.
- 2. State policy in the field of science and technology applies to legal persons (scientific research institutions, higher educational institutions) and natural persons (scientists).

SECTION II MANAGEMENT OF THE DEVELOPMENT OF SCIENCE AND TECHNOLOGY

CHAPTER I - ORGANIZATIONAL STRUCTURES AND ENTITIES OF MANAGEMENT

Article 4 – Authority of the Parliament of Georgia

When reviewing the State Budget of Georgia the Parliament of Georgia shall approve budgetary allocations for the development of science and technology, determine state policy in this field and monitor the implementation thereof.

Article 5¹ – Authority of the Government of Georgia

- 1. To implement state policy in the field of the development of science and technology the Government of Georgia shall:
 - a) prepare proposals on the volume of scientific research and its development plans, and determine the necessary strategic research programs for the country;
 - a1) determine state priorities in the development of science and technology on the basis of recommendations of the Georgian National Academy of Sciences, and submit proposals regarding state policy in the development of science and technology to the Parliament of Georgia.
 - b) provide grounds for state scientific priorities and scientific and technological programs (projects) and ensure their implementation in an organized manner using state financial resources;
 - c) facilitate the development of fundamentally new technologies in the production of high technology
 products in order to increase the export potential of the country and the application of acknowledged background technologies by introducing scientific and technological achievements of
 Georgia in production and by attracting foreign licenses;
 - d) ensure protection of the results of intellectual (results of scientific research and their development plans) and other scientific and technological activities, including protection of know-how; also registration of information on the standardization, metrology and certification, and scientific and technical information, or on state research and its development plans, as well as effective operation of state systems and their compliance with international requirements;
 - e) facilitate development of science and technology within the framework of the legislation of Georgia by means of financing it from the State Budget as well as from state grants, or by means of indirect promotion;
 - f) ensure international cooperation in the development of science and technology:
 - g) ensure state expertise (appraisal) of the development of science and technology and the activities by legal entities under public law scientific research institutions;
 - h) facilitate private innovation activities for providing a base in the field of scientific production and services:
 - i) submit annual reports on the development of science and technology to the Parliament of Georgia.
- 2. Within their authority, and as required for the development of the region, local state authorities shall be entitled to facilitate development of science and technology, participate in preparing and implementing regional and interregional scientific and technological programs (projects) and finance them from a local budget or from regional or other local funds allocated for the development of science and technology as provided for by the legislation of Georgia. If necessary, local state authorities may establish regional bodies to manage the development of science and technology as provided for by the legislation of Georgia.
- 3. State authorities of Georgia shall be responsible for implementing a state policy in the development of science and technology in an appropriate area of state governance.

Article 6 – State and public associations of scientists

- 1. The following institutions operate in Georgia:
 - a) the legal entity under public law (LEPL) Georgian National Academy of Sciences with full autonomous rights and state financing:
 - b) the legal entity under public law (LEPL) Georgian Academy of Agricultural Sciences with full autonomous rights and state financing;
 - c) public associations of scientists.
- 1.1. The legal entity under public law Technology Institute is funded by law and shall not be subject to the rules of organizational arrangement and activity established under this Law.
- 2. The associations under paragraph 1 of this article shall participate in determining state policies and priorities in the field of science and technology, and in drawing up, examining and implementing state scientific and technological programs (projects).

Article 7 – Relationship of state authorities with public scientific and technical associations

- 1. The State shall ensure favorable conditions for the activities of public scientific and scientific and technical associations to attract them for making and implementing fundamental decisions in the field of development of science and technology.
- For conducting independent expert appraisal of state scientific and technological programs (projects) and scientific research and its development plans, the executive authorities shall invite the representatives of public scientific and scientific and technical associations, and under their coordination pro-

vide society with information on safety, ecological cleanliness and social and economic importance of new technologies and new types of products.

Article 8 - Guarantees for scientists

- 1. Scientists shall have the right to:
 - a) carry out scientific research without external intervention and publish research results without any limitation, except for cases when there are some limitations imposed on them under an agreement or if the results contain state secrets;
 - b) determine the content, method and means of a scientific research independently;
 - b1) participate in the implementation of higher education programs as prescribed by Georgian legislation:
 - c) participate in competitions for obtaining grants in addition to receiving their official salaries, and enjoy the right of receiving an individual grant (grants) even in the case of changing a job;
 - d) exercise other rights granted under this Law and the legislation of Georgia.
- 2. Labor relations of a scientist shall be regulated by this Law and the labor legislation of Georgia.
- 3. Labor and other social guarantees of a scientist shall be determined by this Law, the legislation of Georgia, a labor agreement and by a statute of a scientific research institution ('internal regulations').
- 4. A scientist shall not be restricted from having a part-time work.

Article 9 – Obligations of a scientist

- 1. Obligations of a scientist are determined by this Law, a statute (internal regulations) of a scientific research institution and/or by terms and conditions of a labor agreement.
- 2. A scientist is obliged to:
 - a) meet the requirements determined by the statute (internal regulations) of a scientific research institution;
 - b) perform the obligations under a labor agreement;
 - c) submit an annual report on the works performed to the scientific council;
 - c1) in the case of participation in the implementation of higher education programs, ensure high quality of teaching and research;
 - d) perform other requirements under international agreements and treaties and the legislation of Georgia.
- 3. A scientific research institution shall ensure freedom of research for scientific personnel and provide conditions necessary for their activities.

Article 10 - Scientific research institutions

- 1. A scientific research institution may be a legal entity under public or private law, or may exist as a structural unit of a higher educational institution of the Georgian National Academy of Sciences.
- 2. The Government of Georgia may establish a non-entrepreneurial (non-commercial) legal entity under private law scientific research institution.
- 3. A scientific research unit of the higher education institution (hereinafter "the scientific research unit") may exist as an independent scientific research unit of the University or of its main educational unit.
- 4. Activities of the independent scientific research unit a structural unit of the higher educational institution and of the independent scientific research unit of the main educational unit shall be governed by the *Law of Georgia on Higher Education*.

Article 10.1 – A legal entity under public law scientific research institution

- 1. A legal entity under public law scientific research institution, including an institute, a center, etc. (hereinafter referred to as "the Institution") shall be established, transformed and terminate its activities by an ordinance of the Government of Georgia.
- 2. (Deleted).
- 3. The operating procedures of an institution are determined by the statute approved by a state control authority. If the state control of the institution is not implemented by the Ministry of Education and Science of Georgia, the statute of the institution shall be approved in coordination with the Ministry.
- 3.1 The Institution shall have the right, on the basis of an agreement made with the higher education institution, to participate in the preparation of Bachelor's, Master's and Doctoral educational programs, as well as in writing by students of Bachelor's Master's theses and dissertations.
- 3.2. The Institution may, on the basis of an agreement made with the higher education institution, engage students in scientific grant programs, local and international conferences and scientific research events.
- 4. The institution, irrespective of its legal form, is obliged to submit an annual scientific report of its activities to the Georgian National Academy of Sciences for review.

Article 10.2 - Scientific Council of the Institution

- 1. A general meeting of scientists of the Institution shall elect a scientific council from among the scientists of the Institution for a five-year term.
- 2. The scientific council shall discuss and resolve issues related to scientific management and development of the Institution.
- 2.1. In case of implementing a higher education program in cooperation of the Institution with the higher education institution, the Scientific Council of the Institute will participate in the monitoring process of fulfillment of the research component
- 3. Activities of the Scientific Council are administered by a chairperson, who is elected from the members of the council by a majority of its full composition and who is not an administrative official.
- 4. (Deleted).
- 5. The powers, term of office and the procedure for terminating powers of the chairperson of the Scientific Council shall be determined by the statute of the institution.

Article 10.3 – Director of the Institution

- 1. The Institution is represented by its director.
- 2. The position of the Director of the Institution may be occupied by a person who meets the requirements established for a chief research fellow of the independent scientific research unit, and whose age does not exceed 65. If a person who does not hold the position of a chief research fellow of an independent scientific research unit occupies the position of the Director of the independent scientific research unit, he/she shall also be considered as elected to the position of a chief research fellow. Reaching the age of 65 shall not entail termination of powers of the Director. The Director of the Institution shall be elected for a five-year term of office. The same person may occupy the position of the Director of an independent scientific research unit only for two consecutive terms.
- 3. The Director of the Institution shall be elected by the Scientific Council of the Institution on an open competition basis by a majority of the full composition. The Director of the Institution shall be appointed to and dismissed from the position upon the recommendation of the Scientific Council of the Institution by the head of the administrative authority implementing state control.
- 3.1. The Head of the administrative authority implementing state control shall commission the Director within 10 days from his/her submission by the Scientific Council of the Institution.
- 3.2. The Head of the administrative authority implementing state control may reject the nominee for the position of the Director of the Institution submitted by the Scientific Council if the Director has been elected in violation of the rules prescribed by the Charter and/or of the qualifying requirements set to the Director.
- 3.3. In the case of rejection by the Head of the administrative authority implementing state control of the nominee for the position of the Director of the Institution, the Head of the administrative authority implementing state control shall, before appointment the Director of the Institution as per this Article, impose discharge of the duties of the Director on the Deputy Director or the Head of a structural unit of the Institution.
- 3.4. The Scientific Council of the Institution shall, in the case of rejection by the Head of the administrative authority implementing state control of the nominee for the position of the Director of the Institution, be authorized to submit to it within 7 days for appointment the same candidacy. If the candidacy is not submitted by the deadline as per paragraph 3.1 of this Article, the Scientific Council shall, within 3 months, elect a new Director a per paragraph 3 of this Article and submit him/her for appointment to the Head of the administrative authority implementing state control, who within 7 days shall decide on the appointment of the Director of the Institution. The Director of the Institution may is be discharged from office by the Head of the administrative authority implementing state control upon expiry of the Director's term of office or in other cases stipulated by the Charter (Regulations) of the Institution.
- 4. The procedure for conducting the competition for selecting the director of the institution, the rights and obligations of the director and the procedure for terminating his/her powers shall be determined under the Statute of the institution.
- 4.1. The Director of the Institution may, in coordination with the Scientific Council, determine remuneration of the service rendered by the Institution. Other rights and duties of the Director of the Institution shall be determined by the Charter of the Institution.
- 5. The procedure established by paragraphs 2-4 of this Article shall not apply to an institution within the Ministry of Defense of Georgia.

Article 10.4 - Structural units of the Institution

1. The number of structural units of the institution (a laboratory, a department, a center, etc.) is determined by the staff list approved by the scientific council as provided for by the legislation of Georgia.

- 2. The head of a research structural unit of the Institution shall be elected by the Scientific Council of the Institution on the basis of an open competition and approved by the Director of the Institution as prescribed by the Charter of the Institution. The position of the head a structural unit of the Institution may be occupied by a person who meets the requirements established for a chief research worker or senior research worker of the Institution. If a person who does not hold the position of a chief research worker or senior research worker of the Institution, he/she shall also be considered as elected to the respective academic position.
- 3. The head of a non-research structural unit of the Institution shall be appointed to the position by the Director of the Institution as prescribed by the legislation of Georgia

Article 10.5 - State control of the Institution

State control of the Institution is implemented by a state administration body or a legal entity under public law determined by an ordinance of the Government of Georgia.

Article 10.6 – Personnel of the Institution

- 1. The personnel of the Institution shall be composed of scientific, administrative and support personnel.
- 2. The scientific personnel of the Institution include research staff, scientists, who are directly involved in and/or manage scientific research.
- 3. Scientific positions at the Institution include:
 - a) a scientific worker;
 - b) a senior scientific worker;
 - c) a chief scientific worker.
- 4. Administrative personnel of the institution include:
 - a) Director:
 - b) Deputy Director(s).
- 5. Administrative personnel may not occupy other administrative positions or at the same time be the head of any structural unit of the institution.
- 6. Scientific, administrative and support personnel of the Institution shall be determined by the staff list of the Institution.
- 7. The Director of the Institution shall enter into labor agreements with scientific, administrative and support personnel for a term determined by the labor legislation of Georgia.
- 8. The Director of the Institution shall enter into labor agreements with scientists for a term determined by the labor legislation of Georgia in coordination with the head of an appropriate structural unit (department, laboratory, center, etc.) as provided for by the Statute.
- 9. The heads of structural units of the Institution are not administrative officials of the Institution.

Article 10.7 – Procedure for filling an academic position

- 1. An academic position may be filled only on an open competition basis, which must comply with the principles of transparency, equality and fair competition.
- 2. The academic position of a research worker may be filled by a person who has the Master's or an equaled with it academic degree. The person shall occupy the position of a research worker for the term specified by the Charter of the Institution.
- 3. The academic position of senior research worker may be filled by a person who has the Doctoral or an equaled with it degree. The person shall occupy the position of a senior research worker for the term specified by the Charter of the Institution.
- 4. The academic position of a chief research worker may be filled by a person who has the Doctoral or an equaled with it degree, not less than a 6-year experience of scientific research activity, special scientific achievements and who meets the requirements provided for by the Charter of the Institution. The person shall occupy the position of a chief research worker for life. Once every 5 years, the chief research worker shall be subject to attestation/certification as prescribed by the Charter of the Institution.
- 5. The date and additional conditions of a competition for filling an academic position at the Institution shall be made public not later than a month before the documents filing deadline, as prescribed by the Institution's Charter.
- 6. The competition holding procedure and additional conditions shall be defined by the Director of the Institution in agreement with the heads of structural units.

Article 11 – Labor relations with scientific and administrative personnel

1. Labor agreements with scientific personnel shall be concluded for a term determined by the labor legislation.

- 2. A person, who has attained the age of 65 may not be elected or appointed to an administrative position of the institution. The attainment of the age of 65 shall not invoke termination of the powers of a person elected/appointed to an administrative position of the Institution.
- 2.1. A decision on an exception to the age restriction as per paragraph 2 of this Article regarding an institution of the LEPL University shall be made by the Scientific Council of the Institution.
- 3. Scientific personnel may be dismissed from their position on the basis of:
 - a) personal application;
 - b) expiration of a labor agreement concluded for a definite term;
 - c) gross or systematic violation of disciplinary standards;
 - d) violation of the conditions determined by a labor agreement;
 - e) (deleted);
 - f) other cases determined by the legislation of Georgia.

Article 12 - (Deleted)

CHAPTER II - PARTICIPATION OF THE STATE IN THE DEVELOPMENT OF SCIENCE AND TECHNOLOGY

Article 13 – Defining state priorities

State priorities for the development of science and technology shall be determined on the basis of social and economic and scientific and technological development forecasts of Georgia.

Article 14 – Implementation of state scientific and technological programs (projects)

- 1. State scientific and technological programs (projects) shall be prepared and implemented for accomplishing state priorities in the development of science and technology according to procedures determined by the Government of Georgia.
- 2. The head of scientific and technological programs (projects) shall be responsible for the implementation of those programs, and shall be entitled to distribute the financial resources allocated for those purposes among the program (project) participants.

Article 15 - Financial support of the development of science and technology

- 1. Financial support of the development of science and technology includes the targeted use of state budget funds and various non-budgetary sources of financing.
- 2. Scientific research shall be financed under a grant system from State Budgetary allocations together with the budgetary (basic) financing of the institution. Based on an expert's appraisal, scientific research may also be financed within the State Budgetary allocations by an appropriate state authority under the contractual terms and on the basis of the competition.
- 3. Scientists, temporary scientific groups, institutions, and other organizational units and persons have equal rights to participate in the competition.

Article 15.1 – Legal entities under public law science funds

- 1. For financing scientific research from State Budgetary allocations under the grant system, and on the basis of competition, the Ministry of Education and Science of Georgia shall establish the legal entity under public law (LEPL) Shota Rustaveli National Science Foundation and other legal entities under public law science funds ('science fund') in coordination with the Prime Minister of Georgia.
- 2. The operating procedures and structure of science funds shall be determined by a statute approved by an order of the Minister of Education and Science of Georgia. The head of a science fund shall be appointed to and dismissed from the position by the Minister of Education and Science of Georgia in coordination with the Prime Minister of Georgia.
- 3. The fee that may be determined for services rendered by the LEPL Shota Rustaveli National Science Foundation shall be approved by the Ministry of Education and Science of Georgia.
- 4. Identity of the experts ensuring appraisal/peer review of the projects proposed within the scope of a grant competition(s) administered by the Science Foundation shall be confidential.

Article 16 - (Deleted)

Article 17 - Training and attestation of scientific and scientific technical personnel

1. Scientific and scientific technical personnel shall be trained on the basis of the continuity of training using various forms and methods of training.

- 2. The state shall guarantee the training of scientific and scientific technical personnel at higher state educational institutions and other state scientific organizations, necessary allocations from the State Budget and the acceptance of scientific degrees abroad (the applicability of the nostrification system).
- 3. For merging higher education and research activities the State shall establish a system for the selection of talented young people and their continuous training for their future creative scientific activities, and also provide preferential conditions for organizations engaged in the selection and training of future generations; in addition the State shall support leading higher educational institutions, academies of science and other scientific centers and develop a network of research and manufacturing complexes and other forms for the training of highly qualified specialists.
- 4. (Invalidated).
- 5. In order to support the training and internship of scientific and scientific technical personnel at leading scientific centers abroad, the State shall allocate budgetary resources and provide necessary conditions for attracting foreign funds and financial resources from the institutions, organizations and citizens.
- 6. The State shall establish state awards, nominee prizes and honorary degrees for persons who have significantly contributed to the development of science and the application of its outcomes in practice, and also who have contributed to the training of local scientific and scientific technical personnel.

Article 18 – Protection of intellectual and industrial property

- 1. Intellectual and industrial property and outcomes of other scientific and technological activities, including know-how, is the property of the State, a natural or a legal person (persons) and the State shall ensure their legal protection.
- Legal and economic relations related to the creation, protection and use of intellectual and industrial property shall be regulated by appropriate legislation of Georgia and international agreements and treaties of Georgia.
- 3. The legal regime of the outcomes of activities that are carried out in the field of science and technology and are financed from the State Budget shall be determined by appropriate legislation of Georgia.

Article 19 – Providing information to the public

- 1. In order to provide information to the public, the State shall implement diversified programs, establish state information resources, participate in the creation of international data banks and information networks, and shall guarantee access to and right of using that information.
- 2. By developing appropriate information networks the State shall gather, process, protect and disseminate raw information.
- 3. Information on information technology (IT) activities, including the access to and dissemination of information containing state, business and commercial secrets, shall be regulated by the appropriate legislation of Georgia and international agreements and treaties of Georgia.

Article 20 – State expert appraisal

- 1. State expert appraisal shall be provided for the scientific support of state scientific and technological programs (projects) and for appraising the level of applied scientific research and developments, the technological part of production facilities under construction, for the appraisal of new technologies and equipment and other scientific and technical products, and for the determination of expected outcomes of their use.
- 2. State and public, as well as foreign organizations or individual experts may participate in state expert appraisals.
- 3. Institutions, organizations and individual experts may participate in state expert appraisals on the basis of an agreement, in which the works related to the expert appraisal are identified. The costs there of shall be included in the total expenditures of the company for carrying out scientific research and technological activities, and in the cost estimation of facilities under construction and reconstruction.

CHAPTER III - STATE SUPPORT FOR THE DEVELOPMENT OF SCIENCE AND TECHNOLOGY

Article 21 - State support for innovation activities

- 1. The state shall guarantee the protection of innovation activities of all institutions and organizations operating in the field of development of science and technology irrespective of their form of ownership.
- 2. Ministries, state departments and inspection services, and other state agencies shall establish sector funds for the development of science and technology, and local self-government bodies shall

establish regional funds, if necessary. Internal regulations of these funds shall be approved by an appropriate state organization.

- 3. (Deleted).
- 4. (Deleted).
- 5. Executive authorities, natural and legal persons are entitled to establish non-entrepreneurial (non-commercial) legal entities under private law for supporting the development of science and the activities of scientists.

SECTION III INTERNATIONAL SCIENTIFIC AND TECHNOLOGICAL COOPERATION

Article 22 – Obligations of the State in international and interstate scientific and technological cooperation

- 1. The State shall provide favorable legal and economic conditions to facilitate the import of capital intended for attracting and using intellectual and industrial property, and shall support establishment of equitable relations between foreign and Georgian organizations in the field of science and technology
- 2. The State, depending on individual cases and national interests, shall subsidize the import of the latest scientific achievements and technologies, provide preferential credits for the export of high-tech products and for the partial subsidization of their export by means of targeted donations.

Article 23 – International and interstate scientific and technological cooperation

International and interstate scientific and technological cooperation shall be ensured by way of:

- a) cooperation with scientific organizations, including the implementation of joint scientific and technological programs (projects), or the use of scientific technologies and their development plans, or establishment of centers for sharing scientific information and equipment between joint scientific groups or establishment of other organizations in a mutually acceptable manner;
- b) exchange of scientific technical information and the use of international or foreign resources and databases;
- c) organization of international and interstate scientific congresses, conferences, symposia and colloquia;
- d) joint training and qualification upgrading of specialists by means of exchanging scientists, scientific technical personnel and students that shall be envisaged in the budgetary allocations of the Ministry of Education and Science of Georgia.

Article 24 – International cooperation of the institutions

- 1. The institutions are entitled to establish direct international scientific and technological cooperation.
- 2. Procedures for the cooperation of scientific institutions with foreign partners shall be determined under the agreement concluded between them, unless otherwise specified by the legislation of Georgia or the international agreements (treaties) of Georgia.

Article 24.1 – Legal succession of the National Science Foundation of Georgia and the Foundation of Georgian Studies, Humanities and Social Sciences (Rustaveli Foundation)

The LEPL Shota Rustaveli National Science Foundation shall be a legal successor of the LEPL National Science Foundation of Georgia and the LEPL Foundation of Georgian Studies, Humanities and Social Sciences (Rustaveli Foundation).

Article 25 – Final Provisions

The Government of Georgia may transform a LEPL scientific research institution into a non-entrepreneurial (non-commercial) legal entity under private law, and consequentially the said legal entity shall be construed as a legal successor of a respective legal entity under public law.