

LAW ON ADVERTISING

**SECTION I.
General Provision**

Article 1. Georgian legislation on advertising

The Georgian legislation on

political or philosophical beliefs, as well as, encroaches upon art objects that are included into national and world culture heritage, misuses national symbolic (flag, anthem and heraldic marks), Georgian (or other state's) national currency, religious symbolic, natural or legal person, their activities, profession or product.

4. Counter advertising is a placement of rejection on uncontrolled ads.
5. Advertising customer is a natural or legal person who is a source of advertising information and makes an order for advertisement production, placement and dissemination.
6. Ads producer is a natural or legal person who provides the finished advertising information for its placement and dissemination.
7. Ads disseminator is natural or legal person who conducts ads placement and / or dissemination (by means of radio, TV, telecommunication channels, on air time and other means) by the way of property transfer or its use.
8. Ads consumers are natural or legal persons for whom and to influence that the appropriate advertising information is provided.
9. Ads of tobacco products ads, which contain the trade mark or logo of the tobacco producing company or tobacco product, or demonstration of such product or minors to use this product.
10. Ads of alcohol ads, which contain the trade mark or logo of the tobacco producing company or tobacco product, or demonstration of such product or minors to use this product.
11. Ads of strong drinks ads of alcohol, which contain more than 14% of spirit

SECTION II.

General and specific requirement for advertising

Article 4. General requirements for advertising

1. An advertising, at the moment of its presentation, should be understand as the advertising itself without use of means of technical and special knowledge.
2. The advertising is to be done in Georgian language in the whole territory of Georgia. In Abkhazia this may be done either in Georgian or Abkhazian language, according to the preferences. The owner of the trademark is obligate to translate the logo in Georgian.
3. Usage Georgian language in the ads is regulated by Georgian legislation.
4. It is not allowed the product advertising, production and sale of which is prohibited under Georgian legislation, as well as, advertising of goods or producer's advertisement whose activity requires a special permission (license), but which has not been granted to the latter.
5. Product advertising that is a subject to mandatory certification shall have an enclosed note – "certified".
6. It is not allowed placement and dissemination of unjustified advertising (dishonest, unreliable, unethical, clearly fraudulent, latent); according to the case when the Georgian legislation is broken, such activity may cause punishment under civil, and in some cases, criminal law.
7. A legal or natural person, who becomes aware of misuse or abuse of his name, respect and business reputation, has the right to appeal to the court in accordance with the rules embedded in the Georgian law in force, ask for reimbursement for losses incurred and placement of counter advertising under the same rule (in case the breaker voluntarily agrees for reimbursement).

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7. It is prohibited to place ads on strong drinks and tobacco products in the first and last pages of the newspapers and magazines. The same restriction applies to radio and TV broadcasting.
8. Advertising of tobacco products (excluded TV and radio) must contain a visible text in large, black letter against a white background, which contains the statement: The Ministry of health warns smoking is dangerous to your health. And additionally one of the following: “Smoking causes cancer, Smoking causes premature death, Smoking causes heart disease, Smoking during pregnancy threatens the health of the fetus, involuntary smoking threatens health”, and such message must cover at least 10% of the area of the advertising.

Article 9. Advertising of medicinal preparations and health care technology products

1. It is prohibited to place ads on medications, medical purpose materials and technologies related to health care, if no permission has been granted for its production and/or sale. As well as advertising of cure, diagnosis and rehabilitation methods without having granted special permissions by the health care Ministry or other executive agencies. Also it is prohibited to advertise in the field of patent right if such authorization has not been issued.
2. It is prohibited to place ads of those medications that assure the consumer in no necessity to consult a physician, has no side effects, improves the health condition in case of use, and aggravates otherwise, as well as to promote use of the medication as food product, cosmetic or consumer means.
3. It is prohibited of advertising those medications which are not registered in Georgia and medications that are issued by the doctor’s prescription, or contains drug, psychotropic, poison or nuclear stuff.
4. The advertising of cure remedies and technology designated to health care purposes that require special way of producing, is allowed in those publications subject for use of health care and pharmaceutical personnel.
5. It is prohibited in the advertising to general public to mention the following disease:
 - tuberculosis;
 - sexually transmitted disease;
 - other serious infectious disease;
 - cancer and other tumoral disease;
 - chronic insomnia;
 - Diabetes and other metabolic illnesses.

Article 10. Weapons advertising

It is prohibited of advertising of weapons. The advertising of all kinds of service, civil and sport weaponry can be done under the special license issued by the ministry of internal affairs.

Article 11. Advertising of securities

1. The objective of advertising the securities issuance and placement is publicity. Providing and supply of bonds is done through the mission prospective.
2. The advertising on bonds shall incorporate the following information:
 - a) Name of issuance;
 - b) Underwriter’s name and address;
 - c) Identity and address of a person, responsible for ads placement;

- d) Indication on where and whom a potential investor can buy or familiarize himself with emission prospects;
 - e) License number and a name of the issuance agency.
3. It is prohibited in the advertising of securities:
- a) Advertising securities before state registration of emission prospects;
 - b) Disseminate of information other than provided in emission prospects;
 - c) Announce any guaranty, promise of forecast related to future effectiveness (benefits) of business, including the rise in value rate of securities;
 - d) Provide info on guaranteed amount of dividend in the nominal stock;
 - e) Make an attempt or desire of self-rating the own securities by the issuance.

Article 12. Social advertising

1. Social advertising represents public and state interests; aimed at achieving charitable goals and protection of population's life/health, property and environment. Appropriate state and local authorities agencies are to provide authorization for placement and dissemination of ads contingent on its nature.
2. The social advertising shall not include any information on individual businessman or commercial company, the company's logo or goods brand (model, article) including but not limited to those types of brands that were produced in non-business activity.
3. In order to produce and disseminate under the free of charge activity by natural or legal person, as well as, transfer of their own property, including the financial proceeds to other legal or natural persons for this purpose is recognized as a charitable activity and is subject to all advantages envisaged by the Georgian legislation.
4. The advertising disseminators, which are totally or partly financing from the state budget are obliged to place the social advertising free of charge within five percent of annual value of ads placement.

Article 13 Sponsorship

The sponsorship is viewed as a contribution made (under the guise of property, results of intellectual achievement, services rendered and work accomplishments) by a legal or natural person into another legal or natural person's activity under the condition to place ads by the latter related to sponsor's goods. It is prohibited the TV sponsorship by the sponsors whose products (activity) ad

directly or indirectly that ads goods can be bought by any consumer regardless his household budget.

Section III

Responsibilities of ads customer, producer and disseminator

Article 15. Ads material keeping terms

8. The State Antimonopoly Service regulates the social ads in the limit of this law.

Article 18 Rights to receive the information

1. The officials of the State Antimonopoly Service to fulfil the controlling functions in the ads field, have the right to request any document from the ads customer, producer and disseminator in the rights from the V section of the law on competition and antimonopoly regulation.
2. It is prohibited to represents the commercial secrets by the persons mentioned in the item 1.
3. Reimbursement of losses incurred by disclosing confidential information is to be done by the State Antimonopoly Service in accordance the Georgian legislation.
4. In the organizations which activity is related to use of the confidential information, the people indicated in this article under item 1 are to be allowed to use it in accordance with the Georgian legislation.

Section V. Counter advertising and responsibilities for inappropriate ads

Article 19. Counter advertising

1. The State Antimonopoly Service is authorized to make a decision on placing the counter ads by violator of ads law if the violation was approved. Violator obligate for all costs reimbursement related to the counter ads placement otherwise the case will go through court.
2. If the violator has not placed the counter ads within a time period specified, the State Antimonopoly Service is authorized to make a decision on either partial or total suspension of violators advertising. In addition, he is to inform immediately all parties of the agreement, such as ads customer, producer and disseminator on the decision made.
3. The counter ads is to be disseminated under the same means and sequence, as well as, under the same volume and place parameters, such as the appropriate advertising. The basic ideas of the counter ads are to be agreed with the State Antimonopoly Service, which identified the breach fact and made a decision on its changes. In several cases under the decision made by State Antimonopoly Service it is allowed to change the sequence, volume and place, specifics of the counter ads dissemination.

Article 20. Responsibility of ads customer, producer and disseminator

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3. The persons, whose rights and interests are violated with result of inappropriate ads use, have the rights, under the determined rules, to sue into the court for loss reimbursement, health and property compensation.
4. Impose the liability to the ads customer, producer and disseminator; it is not subject for cancellation of State Antimonopoly Service's decision on counter ads.
5. The ads customer, producer and disseminator has the right to apply to the court with an announcement on canceling partially or totally the decision made by the State Antimonopoly Service.
6. Submission of application to the court does not imply suspension of decision fulfillment made by the State Antimonopoly Service, if the court has not made a decision on its suspension.

Section VI Transitive and conclusive provisions

Article 22. Transitive provisions

1. It is prohibited to place ads on strong drinks and tobacco products in the first and last pages of the newspapers and magazines. The same restriction applies to radio and TV broadcasting from 6^{am} till 11^{pm}; it is in force before 31 December 1999. During this period ads of tobacco do not exceed 3 minutes per one hour,