

Law of Georgia

On State Audit Office

Law of Georgia No 6550 of 22 June 2012 - website, 29.6.2012

Chapter I - General Provisions

Article 1 - Aim of the Law

1. This Law, in accordance with the Constitution of Georgia, determines the status and the guarantees of independence of the State Audit Office.
2. The powers, rules of procedure and organisation of the State Audit Office shall be determined only in accordance with this Law.

Law of Georgia No 5294 of 24 November 2011 - website, 1.12.2011

Law of Georgia No 6550 of 22 June 2012 - website, 29.6.2012

Article 2 - Definition of terms used in the Law

For the purposes of this Law, the terms used in this Law have the following meanings:

- a) (deleted - 24.11.2011, No 5294);
- b) (deleted - 24.11.2011, No 5294);
- c) (deleted - 24.11.2011, No 5294).
- d) (deleted - 24.11.2011, No 5294);
- e) (deleted - 24.11.2011, No 5294);
- f) financial audit involves:
 - f.a) examining and evaluating reports and financial statements of an auditee, and issuing relevant audit reports;
 - f.b) examining and evaluating reports and financial statements of the Government of Georgia, and issuing relevant audit reports;
 - f.c) checking the compliance of relevant activities and financial systems with the legislation of Georgia;
 - f.d) checking internal control and internal audit functions;
 - f.e) checking whether an auditee is managed properly and in good faith;
 - f.f) examining, evaluating and reporting on any issue related to audit activities that are of critical importance for improving management of public funds;
 - f.g) compliance audit involves checking, evaluating and reporting on the lawfulness and reasonability of the activities of an auditee;
 - f.h) performance audit involves examining, evaluating and reporting on the economy, efficiency and effectiveness of the activities and/or programmes/projects carried out by an auditee;
 - f.i) auditor – an employee of the State Audit Office, who conducts audits in accordance with this Law.
 - f.j) audit intern – a person who is appointed to the position of intern in the State Audit Office as a staff member and conducts audits in accordance with this Law.
 - f.k) auditee – a person, body, organisation and/or an institution falling under the authority of the State Audit Office as provided for by this Law.

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Law of Georgia No 6550 of 22 June 2012 - website, 29.6.2012

Article 3 - Status and independence of the State Audit Office

1. The State Audit Office (the 'SAO') is a supreme body of state financial and economic control, which conducts audits.
2. The State Audit Office shall be independent in its activities and bound only by the law. It shall be impermissible to interference with and/or control its activities, or request the SAO to present a report on its activities unless expressly provided for by law. It shall be prohibited to exert any political



pressure on the State Audit Office or take any other actions that may infringe upon its independence.

3. The State Audit Office shall have operational, financial, functional and organisational independence.

Law of Georgia No 5294 of 24 November 2011 - website, 1.12.2011

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Article 4 - Main objectives of the State Audit Office

The main objectives of the State Audit Office are to promote legal, efficient and effective spending of public funds and other assets of material value, as well as to contribute to the protection of the national wealth and the property of the autonomous republics and local self-governing units, and to the improvement of the management of public funds.

Law of Georgia No 5294 of 24 November 2011 - website, 1.12.2011

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Article 5 - Legal framework and principles for the activities of the State Audit Office

1. The State Audit Office shall conduct its activities in compliance with the Constitution of Georgia, international agreements and treaties of Georgia, this Law and other legislative and subordinate normative acts of Georgia.

2. The State Audit Office shall be guided by the main principles laid down by the International Organisation of Supreme Audit Institutions.

3. The main principles of the State Audit Office operation are:

- a) objectivity;
- b) independence;
- c) publicity;
- d) professionalism.

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Chapter II - Areas of Activity of the State Audit Office

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Article 6 - Authority of the State Audit Office

1. For the purpose of performing its tasks as provided for by the Constitution of Georgia, the State Audit Office shall:

- a) perform audits within the scope of the authority determined by this Law.
- b) be authorised to provide expert services and opinions on drafts legislative and normative acts regulating the areas of finance and economics, as well as on programmes that are to be financed from the budgets of the state, of the autonomous republics or of local self-governing units or that affect the formation of such funds; the SAO shall also be authorised to submit its proposals to the Parliament of Georgia and other relevant bodies and institutions on the issuance and improvement of tax legislation and other legislative and subordinate normative acts.

2. Within the scope of the authority determined by the Organic Law of Georgia on the Election Code of Georgia and the Organic Law of Georgia on Political Unions of Citizens, the State Audit office shall monitor the financial activities of political unions of citizens. It may conduct audits, sequester property of natural and legal persons and political union of citizens (including their bank accounts) and draw up reports on violations of the law and adopt relevant resolutions.

Law of Georgia No 5294 of 24 November 2011 - website, 1.12.2011

Law of Georgia No 6550 of 22 June 2012 - website, 29.6.2012

Article 7 - (Deleted)

Law of Georgia No 5294 of 24 November 2011 - website, 1.12.2011



Chapter III - Organisation and Structure of the State Audit Office

Law of Georgia No 5294 of 24 November 2011 - website, 1.12.2011

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Article 8 - System of the State Audit Office

1. The State Audit Office is headed by the Auditor General.
2. The State Audit Office is a unified, centralised system comprising structural units, including those in the Autonomous Republics of Abkhazia and Adjara. The structure of the State Audit Office shall be determined by the Auditor General.
3. The State Audit Office shall have a Presidium. The composition and the number of members of the Presidium shall be determined by the Auditor General.
4. Issues related to the organisation and operation of the State Audit Office shall be regulated in accordance with this Law and the Regulations of the State Audit Office.

Law of Georgia No 5294 of 24 November 2011 - website, 1.12.2011

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Article 9 - Auditor General

1. The Auditor General shall be elected for a term of 5 years by a majority of the Members of Parliament on the current nominal list upon his/her nomination by the Chairperson of the Parliament.
2. The Auditor General may not hold any other position or engage in any other paid work, except for pedagogic, academic and/or creative activities.
3. During his/her tenure, the Auditor General may not be a member of any political party or carry out other political activities.
4. The independence of the exercise of the powers of the Auditor General shall be ensured. No one may interfere with or influence his/her decisions.
5. Relevant state agencies shall ensure the personal safety of the Auditor General in compliance with the established procedure.

Law of Georgia No 5294 of 24 November 2011 - website, 1.12.2011

Law of Georgia No 6550 of 22 June 2012 - website, 29.6.2012

Article 10 - Authority of the Auditor General

The Auditor General:

- a) manages the State Audit Office in accordance with the Constitution of Georgia, this Law and other legislative and subordinate normative acts of Georgia;
- b) makes decisions on issues concerning the activities of the State Audit Office;
- c) chairs sessions of the Presidium of the State Audit Office;
- d) appoints or dismisses employees of the State Audit Office;
- [d) appoints or dismisses officials of the State Audit Office; on the basis of employment contracts, hires other public servants of the State Audit Office; (shall enter into force from 1 January 2017)]
- e) appoints the head of the structural unit of the State Audit Office in the autonomous republics in agreement with the Supreme Council of the relevant autonomous republic;
- f) determines the maximum number of the employees of the State Audit Office;
- g) approves the staff list, defines the position titles and the amount of remuneration within the limits of the payroll fund established for the State Audit Office.
- h) organises the generalisation of assessments made on the basis of audit outcomes for the purpose of developing uniform audit practices;
- i) is authorised to issue binding orders for the purpose of performing his/her duties and exercising powers;
- j) presents to the Parliament of Georgia reports and accounts envisaged in the Constitution of Georgia and in this Law ;



- k) represents the State Audit Office in relations with international or other organisations.
- l) issues normative acts - orders - in accordance with the Law of Georgia on Normative Acts.
- m) approves the Regulations of the State Audit Office and the Code of Ethics for the Employees of the State Audit Office.
- n) forms commissions and special working groups;
- o) determines responsibilities of the First Deputy Auditor General and those of Deputy Auditor Generals and delegates powers to them.
- p) is authorised to authorise an employee of the State Audit Office to represent the SAO.
- q) is authorised and, where required, is obliged, to attend the sessions of the Parliament of Georgia, of the Parliamentary committees, factions and/or investigation or other interim commissions. In addition, upon his/her request, he/she shall be heard by the Parliament of Georgia, the Parliamentary committees, factions and/or investigation or other interim commissions.
- r) in accordance with the legislation of Georgia, offers incentives to the employees of the State Audit Office, imposes disciplinary measures, grants departmental awards, certificates, bonuses or other valuable gifts; recommends the employees of the State Audit Office to the President of Georgia for state awards;

[r) in accordance with the Law of Georgia on Public Service, makes decisions on offering incentives to or imposing disciplinary measures on the public servants of the State Audit Office, grants them departmental awards, certificates and other valuable gifts; also recommends employees of the State Audit Office to the President of Georgia for state awards; (*shall enter into force from 1 January 2017*)]

- s) determines the amount of bonuses and, on special occasions, the amount of one-time financial assistance;
- t) exercises other powers granted by this Law and other normative acts of Georgia.

Law of Georgia No 5294 of 24 November 2011 - website, 1.12.2011

Law of Georgia No 6550 of 22 June 2012 - website, 29.6.2012

Law of Georgia No 1045 of 6 September 2013 - website, 23.09.2013.

Law of Georgia No 4373 of 27 October 2015 – website, 11.11. 2015

Article 11 - Immunity of the Auditor General

1. The Auditor General may be prosecuted, arrested, detained, or his/her home, car, workplace or his/her person may be searched only with the consent of the Parliament of Georgia, except when he/she is caught in flagrante delicto, of which the Parliament of Georgia shall be immediately notified. If the Parliament of Georgia does not consent within the next 48 hours, the arrested or detained Auditor General shall be released immediately.
2. If the Parliament of Georgia gives its consent to arrest or detain the Auditor General, his/her term of office shall be suspended with the consent of the Parliament of Georgia until a decision to terminate the criminal proceedings is passed or a court judgement enters into force.
3. The Auditor General may be removed from office by decision of the Parliament of Georgia in accordance with Article 64 of the Constitution of Georgia.
4. The following shall serve as the grounds for early termination of powers of the Auditor General:
 - a) a resignation notice;
 - b) his/her removal from office in accordance with the legislation of Georgia;
 - c) his/her recognition by the court as a beneficiary of support, as disabled, missing or dead, unless otherwise specified by the court decision;
 - d) occupation of a position or conduct of activities incompatible with the status of the Auditor General;
 - e) loss of Georgian citizenship;
 - f) death.

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Law of Georgia No 3361 of 20 March, 2015 - website, 31.3.2015

Article 12 - Deputy Auditor Generals

1. The Auditor General shall have deputies, including a First Deputy, who are appointed and dismissed by the Auditor General.
2. Deputy Auditor Generals shall be subject to the same rules with respect to the compatibility of offices as provided for in this Law for the Auditor General.



3. If the Auditor General is absent or is unable to perform his/her duties, the said duties shall be performed by the First Deputy Auditor General, and if the Auditor General and the First Deputy Auditor General are absent or unable to perform their duties, the said duties shall be performed by one of the Deputy Auditor Generals upon the instructions from the Auditor General.

4. Deputy Auditor Generals shall have the right, and where required, the obligation, to attend sessions of the Parliament of Georgia, the Parliamentary committees and/or investigation or other interim commissions.

5. The First Deputy Auditor General and Deputy Auditor Generals shall be in charge of specific areas of the activities of the State Audit Office and shall be accountable to the Auditor General when performing their duties.

6. In the case of termination of the term of office of the Auditor General, the authority of his/her First and other Deputies shall be terminated upon the appointment of a new Auditor General.

Law of Georgia No 6550 of 22 June 2012 - website, 29.6.2012

Article 13 - Presidium of the State Audit Service

The Presidium of the State Audit Office is an advisory body. It shall be authorised to discuss and resolve administrative disputes concerning the audit reports of the State Audit Office in accordance with Chapter VI of this Law.

Law of Georgia No 5294 of 24 November 2011 - website, 1.12.2011

Law of Georgia No 6550 of 22 June 2012 - website, 29.6.2012

Chapter IV - (Deleted)

Law of Georgia No 5294 of 24 November 2011 - website, 1.12.2011

Article 14 - (Deleted)

Law of Georgia No 5294 of 24 November 2011 - website, 1.12.2011

Article 15 - (Deleted)

Law of Georgia No 5294 of 24 November 2011 - website, 1.12.2011

Article 16 - (Deleted)

Law of Georgia No 5294 of 24 November 2011 - website, 1.12.2011

Chapter V - Audit

Article 17- Audit Authority of the State Audit Office

1. The audit authority of the State Audit Office, within the scope of its powers, shall extend to the legislative, executive and judiciary branches of government, legal entities under public law, local self-government bodies, the National Bank of Georgia, enterprises in which 50 per cent or more shares are owned by the State, by the autonomous republics and/or by local self-government unit, also to other legal or natural persons, organisations and institutions.

2. For the purpose of performing the tasks provided for by the Constitution of Georgia and this Law, the State Audit Office shall examine:

- a) the spending and execution of the budgets of the State, autonomous republics and local self-government units;
- b) the justification and lawfulness of the expenditures and revenues of the draft state budget and the draft budget of the autonomous republics;
- c) the formation and management of the public debt and issuance of state credits;
- d) the activities of the National Bank of Georgia, within the scope of powers determined by the Constitution of Georgia;
- e) the lawfulness of the flow of public funds in the National Bank of Georgia and the credit and financial institutions registered in Georgia;
- f) the financial and economic activities of the diplomatic service of Georgia;



g) the spending and use of funds and assets of legal entities under public law. The State Audit Office shall examine the activities of membership-based legal entities under public law (corporations under public law) only with respect to the spending and use of property and/or funds transferred to such entities by the State, autonomous republics or local self-government bodies. This sub-paragraph shall not apply to legal entities under public law and national regulatory bodies envisaged in the Constitutional Agreement of Georgia.

h) the management and use of the property of the State, of the autonomous republics and of local self-government units;

i) the financial and economic activities of legal entities under private law in which the State, the autonomous republics and/or local self-government bodies own 50 per cent or more of shares/equity, except where the securities - equities or shares - of such an enterprise are listed on an international stock exchange. Such enterprises shall, upon request, present information on their financial statements to the State Audit Office;

j) the contractual obligations and loans of the legal entities under private law that are guaranteed by the State, as well as their activities with respect to the use and management of the budgetary or state funds and to the use and management, in any form, of the property of the State, of the autonomous republics and of local self-government units;

k) the lawfulness of the use of the funds allocated for elections under the Organic Law of Georgia on the Election Code of Georgia.

3. The State Audit Office shall independently design an annual audit action plan.

Law of Georgia No 5294 of 24 November 2011 - website, 1.12.2011

Law of Georgia No 5662 of 28 December 2012- website, 29.12.2011

Law of Georgia No 6550 of 22 June 2012 - website, 29.6.2012

Law of Georgia No 1597 of 20 November 2013 - website, 3.12.2013

Article 18 - Unscheduled Audits

Unscheduled financial and/or compliance audits are conducted upon the request of the Parliament of Georgia or by decision of the State Audit Office, as well as on the basis of a request of an interim investigation commission of the Parliament of Georgia, of the parliamentary minority and/or of a faction that does not belong to the parliamentary majority.

Law of Georgia No 5294 of 24 November 2011 - website, 1.12.2011

Law of Georgia No 6550 of 22 June 2012 - website, 29.6.2012

Article 19 - Time limits for conducting an audit

The General Administrative Code of Georgia shall not apply to the time limits for conducting an audit.

Law of Georgia No 5294 of 24 November 2011 - website, 1.12.2011

Article 20 - Employees of the State Audit Office authorised to conduct audits and their rights and responsibilities

1. Auditors and audit interns shall be authorised to conduct audits under this Law.

2. For the purpose of conducting an audit, the State Audit Office may invite legal entities under private law which are subject to the rights and responsibilities determined by this Law.

3. For the purpose of conducting audits, the employees of the State Audit Office may:

a) request necessary information or any document, regardless of its form (electronic version, etc.), require that the auditee present documentary materials in the official language of Georgia, and make copies of the documents;

b) enter the auditee's premises unimpeded and conduct an inventory.

c) where necessary, seal storage spaces, archives and cash registers, except for an entity under private law.

d) receive explanations about the issues that are subject to examination.

4. In order to exercise its authority, the SAO may, on the basis of a judicial order, receive personally identifiable information on each tax payer (confidential tax information) in accordance with the Tax Code of Georgia, as well as information on public procurement in accordance with the Law of Georgia on Public Procurement.

5. Auditees shall comply with lawful requests of employees of the State Audit Office.

6. The State Audit Office employees conducting an audit shall:

a) comply with the Constitution of Georgia, this Law and other normative acts;



- b) inform the auditee of the type, aim, time frame of the audit, as well as the rights and responsibilities of the parties;
- c) ensure that personal, state, official and commercial secrets are protected in accordance with the procedure provided by the legislation of Georgia;
- d) keep audit results confidential until the preparation of an audit report;
- e) in the event of detecting signs of a possible crime, attach the original documents to audit materials and leave certified copies with the auditee;
- f) comply with the Code of Ethics for the Employees of the State Audit Office;
- g) refrain from interfering with the daily operations of the auditee.

Law of Georgia No 5294 of 24 November 2011 - website, 1.12.2011

Law of Georgia No 6328 of 25 May 2012 - website, 12.6.2012

Law of Georgia No 6550 of 22 June 2012 - website, 29.6.2012

Article 21 - Specialists and experts

1. The State Audit Office may invite and/or involve specialists and experts in the process of an audit. The relationship of the State Audit Office with invited specialists or experts shall be regulated in accordance with the legislation of Georgia.
2. A specialist or an expert is an individual with special knowledge in the field who is invited to conduct specific research in order to prepare a relevant act on the circumstances required for the audit.
3. In performing tasks under this article, specialists and experts shall be subject to the rights and responsibilities determined by Article 20 of this Law, except for the rights and responsibilities specified in Article 20 (1), 20(3)(c) and 20 (3¹) of this Law.

Law of Georgia No 5294 of 24 November 2011 - website, 1.12.2011

Law of Georgia No 6550 of 22 June 2012 - website, 29.6.2012

Article 22- (Deleted)

Law of Georgia No 5294 of 24 November 2011 - website, 1.12.2011

Article 23 - Rights and responsibilities of an auditee

1. Auditees may:
 - a) in the course of an audit, present comments and opinions in accordance with the legislation of Georgia.
 - b) appeal audit reports in accordance with this Law.
2. Auditees shall:
 - a) provide the employees of the State Audit Office with appropriate working conditions, including a working space.
 - b) provide the employees of the State Audit Office with all the information required for conducting the audit; the auditee shall be responsible for the authenticity, objectivity and completeness of such information.
 - c) not interfere with the activities of the employees of the State Audit Office or hamper the process of the audit; assist the employees of the State Audit Office to check documents during working hours without interfering with the operation of the auditee;
 - d) designate a person responsible for managing relations with the State Audit Office.
3. Auditees shall submit complete information and/or documents within the time frames and in the manner determined by the State Audit Office. If an auditee fails to present the relevant information and/or documents within the specified deadline, it may request the State Audit Office to extend the deadline for presenting information and/or documents. The State Audit Office may, upon the request of an auditee, extend the said deadline only once, for at least 5 and not more than 30 calendar days.
4. (Deleted – 24.11.2011, No 5294).

Law of Georgia No 5294 of 24 November 2011 - website, 1.12.2011

Law of Georgia No 6550 of 22 June 2012 - website, 29.6.2012

Article 24 -Presentation of audit findings



1. A report shall be prepared on the audit findings. The State Audit Office may also formulate recommendations with respect to the audit findings. Audit reports and recommendations (if any) shall be presented to the auditee, or to its superior body or to the state body, the body of the autonomous republic or the local self-government body to which the auditee is accountable.
2. In the course of supervising the activities of an auditee, the State Audit Office may, within the scope of authority determined by this Law, formulate recommendations on the basis of preliminary audit findings and send them to the entities referred to in paragraph 1 of this article.
3. Measures taken in accordance with the recommendations, the SAO shall be notified within a month, unless another time limit is specified by the State Audit Office.
4. The State Audit Office shall annually present information of audit findings with respect to the spending and execution of the republican budgets of the Autonomous Republics of Adjara and Abkhazia to the Supreme Council of the relevant Autonomous Republic.
5. The State Audit Office may send information on audit findings to the President of Georgia, the Parliament and the Government of Georgia, as well as raise the issue of discussing the audit findings at the relevant Parliamentary committee, and take other relevant measures to prevent violations.

Law of Georgia No 5294 of 24 November 2011 - website, 1.12.2011

Law of Georgia No 6550 of 22 June 2012 - website, 29.6.2012

Article 24¹- Relations of the State Audit Office with law enforcement agencies

1. Audit materials with the signs of a crime shall immediately be forwarded to law enforcement agencies. The law enforcement agencies shall be provided only with those materials (or parts thereof) which contain signs of a crime. The law enforcement agencies shall notify the State Audit Office about decisions made with respect to the presented information, as well as follow-up measures.

2. The State Audit Office may involve an auditor as an expert based on the request of the agency prosecuting a criminal investigation.

Law of Georgia No 5294 of 24 November 2011 - website, 1.12.2011

Law of Georgia No 6550 of 22 June 2012 - website, 29.6.2012

Article 25 - Publishing the results of the activities of the State Audit Office

The State Audit Office may publish audit reports, as well as other information on its activities. In addition, it shall not disclose legally protected secret information related to the auditee, except for the cases envisaged in the legislation of Georgia.

Law of Georgia No 5294 of 24 November 2011 - website, 1.12.2011

Law of Georgia No 6550 of 22 June 2012 - website, 29.6.2012

Article 26 - International Standards on Auditing

1. In performing its functions, the State Audit Office shall employ the international standards of public sector auditing set by the International Organisations of Supreme Audit Institutions (INTOSAI).

2. With regard to audit procedures, the State Audit Office shall develop and approve methodologies, manuals and guidelines.

Law of Georgia No 5294 of 24 November 2011 - website, 1.12.2011

Law of Georgia No 6550 of 22 June 2012 - website, 29.6.2012

Chapter IV¹- Administrative liability

Law of Georgia No 5294 of 24 November 2011 - website, 1.12.2011

Article 26¹- Liability for non-compliance with a lawful request of the State Audit Office

Failure to present necessary information and/or documentation to the State Audit Office, provision of false information, interference with or other hindrance to its activities

shall entail a fine in the amount of GEL 100

Law of Georgia No 5294 of 24 November 2011 - website, 1.12.2011

Law of Georgia No 6550 of 22 June 2012 - website, 29.6.2012



Article 26²- Legal proceedings

1. Reports of administrative offences defined in this Chapter shall be prepared by an authorised person designated under a normative act of the Auditor General.
2. Administrative cases defined in this Chapter shall be heard by a district (city) court. Under a court decision imposing a fine, the offender shall also be charged with non- performance of the obligation for which the administrative penalty is imposed. An appeal shall not suspend execution of a court decision with respect to non-performance of the obligation for which the administrative penalty has been imposed on the offender.
3. Proceedings in administrative cases envisaged under this Chapter shall be carried out in accordance with the Code of Georgia on Administrative Offences.

Law of Georgia No 5294 of 24 November 2011 - website, 1.12.2011

Law of Georgia No 6550 of 22 June 2012 - website, 29.6.2012

Chapter VI - Appealing the Audit Reports of the State Audit Office

Law of Georgia No 5294 of 24 November 2011 - website, 1.12.2011

Law of Georgia No 6550 of 22 June 2012 - website, 29.6.2012

Article 27 - Appealing audit reports of the State Audit Office

1. Auditees that are defined as administrative bodies under the General Administrative Code of Georgia, may, within 20 days after receipt of an audit report of the State Audit Office, appeal the report only to the State Audit Office.
2. Auditees, except for the cases envisaged in paragraph 1 of this article, may appeal an audit report of the State Audit Office, within 20 days after its receipt, either to the State Audit Office or to the court in accordance with the law.
3. An appeal filed after the deadline determined by this article shall be dismissed in accordance with the law.
4. Administrative proceedings conducted at the State Audit Office with respect to an administrative complaint shall be subject to the General Administrative Code of Georgia taking into account the specific characteristics of this Law.

Law of Georgia No 5294 of 24 November 2011 - website, 1.12.2011

Law of Georgia No 6550 of 22 June 2012 - website, 29.6.2012

Article 28 - (Deleted)

Law of Georgia No 5294 of 24 November 2011 - website, 1.12.2011

Article 29 - Procedure for reviewing complaints

1. The Presidium of the State Audit Office shall review an administrative complaint within 20 days after its submission. Considering the complexity of the case at hand, this term may be extended only once, for a maximum of 20 days.
2. Other issues relating to administrative complaints shall be defined by Regulations of the State Audit Office.

Law of Georgia No 5294 of 24 November 2011 - website, 1.12.2011

Law of Georgia No 6550 of 22 June 2012 - website, 29.6.2012

Article 30 - (Deleted)

Law of Georgia No 5293 of 24 November 2011 - website, 1.12.2011

Chapter VII - Relations of the State Audit Office with the Parliament of Georgia and International Relations

Law of Georgia No 5294 of 24 November 2011 - website, 1.12.2011



Article 31 - Reports, accounts and information

1. Within 45 days after receiving an annual account from the Government of Georgia on the execution of the state budget, the State Audit Office shall notify the Government of Georgia of the completion of a report on the submitted annual account and shall present the report on the annual account of the execution of the state budget to the Parliament of Georgia.
2. The State Audit Office shall, with regard to a progress report of the Government of Georgia on the execution of the budget for the current year, present its report to the Parliament of Georgia at least 2 days prior to the closing meeting of the Finance and Budget Committee. Together with the report, the Parliament of Georgia shall be presented with an opinion of the State Audit Office on the reasonableness and lawfulness of the revenues and expenditures envisaged in the draft law on the state budget.
3. The State Audit Office shall present an annual account on its activities to the Parliament of Georgia. This account shall be presented not later than 1 June of the year following the reporting year. The annual account shall be published.
4. The accounts of the State Audit Office presented to the Parliament of Georgia shall be published in the Official Gazette of Georgia.
5. Once in every 2 years, the State Audit Office shall present to the Parliament of Georgia a report on the audits conducted with respect to the spending and execution of the budgets of local self-government units.

Law of Georgia No 5294 of 24 November 2011 - website, 1.12.2011

Law of Georgia No 6550 of 22 June 2012 - website, 29.6.2012

Law of Georgia No 1600 of 20 November 2013 - website, 03.12.2013

Article 31¹- International relations of the State Audit Office

The State Audit Office may enter into cooperation agreements with other supreme auditing and controlling institutions and other relevant institutions of foreign states, as well as with international organisations.

Law of Georgia No 5294 of 24 November 2011 - website, 1.12.2011

Law of Georgia No 6550 of 22 June 2012 - website, 29.6.2012

Chapter VIII - Legal Basis for Labour Relations at the State Audit Office Social Security Guarantees

Law of Georgia No 5294 of 24 November 2011 - website, 1.12.2011

Law of Georgia No 6550 of 22 June 2012 - website, 29.6.2012

Article 32- Legal basis for labour relations

The Law on Georgia on Public Service shall apply to the employees of the State Audit Office, except in cases when the issues of labour relations, such as recruitment and dismissal, rights and responsibilities, service and internship, professional appraisal, as well as the procedure and grounds for the use of incentives and disciplinary measures are regulated by this Law and normative acts issued by the Auditor General of the State Audit Office.

Law of Georgia No 5294 of 24 November 2011 - website, 1.12.2011

Law of Georgia No 6550 of 22 June 2012 - website, 29.6.2012

Article 32¹- Code of Ethics for the Employees of the State Audit Office

1. The Code of Ethics for the Employees of the State Audit Office ('the Code') sets out the rules and norms of professional conduct of employees in exercising their powers and performing their functions.
2. The employees of the State Audit Office shall comply with the Code.
3. Breach of the Code shall give rise to disciplinary liability.

Law of Georgia No 5294 of 24 November 2011 - website, 1.12.2011

Law of Georgia No 6550 of 22 June 2012 - website, 29.6.2012



Article 32²- Remuneration of the employees of the State Audit Office

1. The amount of remuneration of the Auditor General shall not be less than that of the Deputy Chairperson of the Parliament of Georgia.
2. When determining the amount of remuneration of the auditors of the State Audit Office, the Auditor General of the State Audit Office may take into account the amount of remuneration existing in the largest audit firms operating in Georgia.
3. The remuneration of other employees of the State Audit Office shall be defined under this Law.

Law of Georgia No 5294 of 24 November 2011 - website, 1.12.2011

Law of Georgia No 6550 of 22 June 2012 - website, 29.6.2012

Article 33- Social protection

1. Auditors shall be subject to compulsory insurance at the expense of the state budget. Injury inflicted on an auditor in performing his/her professional duties shall be fully compensated from the state budget as prescribed by law.
2. Auditors may claim the compensation envisaged in paragraph 1 of this article within a year after the infliction of injury.
3. In the case of death of the Auditor General or a Deputy Auditor General in office, the family of the deceased shall receive a one-time financial assistance in the amount of GEL 10 000. Burial expenses shall be covered by the State.
4. In the case of a full or partial disability of the Auditor General or a Deputy Auditor General caused under the circumstances envisaged in paragraph 3 of this article, they shall be granted a one-time financial assistance in the amount of GEL 7 000.
5. In the case of death of the Auditor General or a Deputy Auditor General in office, the family of the deceased shall be awarded state compensation in the amount and in the manner determined by the Law of Georgia on State Compensations and the Law of Georgia on State Academic Scholarships.

Law of Georgia No 5294 of 24 November 2011 - website, 1.12.2011

Law of Georgia No 6550 of 22 June 2012 - website, 29.6.2012

Chapter IX - Finances and Property

Article 34 - Funding of the State Audit Office

1. The State Audit Office shall be financed from the state budget of Georgia. The budget of the State Audit Office, within the amount envisaged in the line item of the economic classification of expenditures, shall not be less than the corresponding amount of the previous year.
2. The reduction in total appropriations approved for the State Audit Office in the budget law of the current year, as well as the reduction in the amount of funding envisaged in paragraph 1 of this article relative to the preceding year, shall be permissible only with the consent of the State Audit Office.
3. The submission of the budget of the State Audit Office for the upcoming year to the Government of Georgia shall be ensured by the Parliament of Georgia.

The procedure for the formation of the budget of the State Audit Office shall be defined by the Rules of Procedure of the Parliament of Georgia.

Law of Georgia No 6550 of 22 June 2012 - website, 29.6.2012

Article 35 - Conducting an audit of the State Audit Office

In accordance with the international standards, the financial audit of the State Audit Office (in compliance with Article 2(g.a), (g.c) and (g.d) of this Law) shall be conducted annually by an interim commission created by a decision of the Parliament.

Law of Georgia No 5294 of 24 November 2011 - website, 1.12.2011

Law of Georgia No 6550 of 22 June 2012 - website, 29.6.2012

Law of Georgia No 132 of 21 December 2012 - website, 30.12.2012

Law of Georgia No 2784 of 13 November 2014 - website, 20.11.2014

Article 36 - Property of the State Audit Office

The executive authority of Georgia shall provide the State Audit Office with the required premises and other public property, which is essential for the proper fulfilment of the functions entrusted to the State Audit Office.



Chapter XI¹- Public Audit Institute

Article 36¹ - Public Audit Institute

1. The Public Audit Institute ('the Institute') is a legal entity under public law that is independent in exercising its powers provided for by the legislation of Georgia and the Statute of the Institute.
2. The functions of the Institute shall be as follows: to hold training sessions on public audit, to conduct certification of the auditors of the public sector ('the Certification') and to carry out mandatory continuing education programmes, as well as to provide research/analytical, expert, consulting and audit services to the public sector.
3. A decision on the appointment or dismissal of the head of the Institute shall be made by the Auditor General.
4. The Statute of the Institute shall be approved by the Auditor General.
5. The Institute shall be funded as prescribed by the Law of Georgia on Legal Entities under Public Law, including, through subsidies from the State Audit Office.
6. The fees for the services provided by the Institute, as well as the payment procedure and conditions, shall be defined by the Institute.
7. The requirements of the Law of Georgia on Public Procurement shall not apply to the procurement of the services of the Institute.
8. The funds and revenues of the Institute shall be used for the performance of the functions of the Institute and for the development of the system of the State Audit Office.
9. State control over the activities of the Institute shall be exercised by the State Audit Office.

Law of Georgia No 5294 of 24 November 2011 - website, 1.12.2011

Law of Georgia No 6550 of 22 June 2012 - website, 29.6.2012

Article 36² - Controlling and ensuring the quality of the audit services of the Institute

1. The Institute shall be responsible for developing and implementing the appropriate policy and procedures for controlling the quality of audit services.
2. The quality of audit services provided by the Institute shall be ensured by the State Audit Office.

Law of Georgia No 5294 of 24 November 2011 - website, 1.12.2011

Law of Georgia No 6550 of 22 June 2012 - website, 29.6.2012

Article 36³- Cooperation between the Institute and the State Audit Office

1. The State Audit Office shall be authorised to take into account audit opinions prepared by the Institute.
2. The State Audit Office shall be exempt from fees for the services provided by the Institute.

Law of Georgia No 5294 of 24 November 2011 - website, 1.12.2011

Law of Georgia No 6550 of 22 June 2012 - website, 29.6.2012

Article 36⁴- Certification

1. Certification shall comprise the completion of the qualification training course and the assessment of qualification in the field of public audit.
2. Audit services in the public sector may be provided only by an auditor certified under this Law.
3. For the purposes of paragraph 2 of this article, 'Public sector' refers to the auditees defined in this Law.
4. The validity of a certificate shall be five years.
5. The conditions and procedure of certification shall be defined by the normative act of the Auditor General.



Chapter X - Transitional and Final Provisions

Article 37 - Transitional provisions

1. By 1 January 2013, the State Audit Office shall ensure the development of the relevant methodology and regulatory framework to conduct audits in public agencies responsible for financial and economic control.
2. Until the entry into force of Article 2 (h) of this Law the State Audit Office may, within the framework of a compliance audit, examine and analyse the economy and efficiency of the spending, use, management and protection of public funds, of other public tangible and intangible assets by the auditee.
3. Within 1 month after the entry into force of this Law, the Chamber of Control shall make appropriate amendments to the relevant subordinate legislative acts.
4. Until the adoption of the Regulations of the Chamber of Control Georgia in accordance with this Law, all issues related to the conduct of audits shall be regulated by the Uniform Regulations of the Chamber of Control approved by Order N275-ORG of 20 June 2007 of the Chairperson of the Chamber of Control of Georgia on the Approval of the Uniform Regulations of the Chamber of Control of Georgia, having regard to the specificities of this Law.
5. The Code of Ethics for the Employees of the Chamber of Control of Georgia specified in Article 22 of this Law shall be adopted by 1 October 2009.

Article 37¹- Defining the successor to the Chamber of Control of Georgia

1. The State Audit Office shall be the successor to the Chamber of Control of Georgia. The property and funds of the Chamber of Control of Georgia shall be transferred to the State Audit Office.
2. The normative acts issued by the Chairperson of the Chamber of Control of Georgia shall retain its legal force until the issuance of a new normative act by the Auditor General in accordance with the legislation of Georgia.

Article 38 - Final provisions

1. This law, except for Article 26(1) and Chapter VI, shall enter into force on the 15th day after its publication.
2. Article 26(1) of this Law shall enter into force on 1 October 2009.
3. Chapter VI of this Law shall enter into force on 1 March 2009.
4. Performance audits envisaged in Article 2(h) of this Law shall be conducted from 1 January 2012.
5. Upon the entry into force of this Law, the Law of Georgia on the Chamber of Control of Georgia of 15 April 1997 (Parliamentary Gazette, N17-18, 9 May 1997, p.46) shall be repealed.

President of Georgia

M. Saakashvili

Tbilisi

26 December 2008

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