



## Tbilisi Concert Hall should be returned to State Management

The Georgian Young Lawyers' Association has been monitoring the processes developed around Tbilisi Concert Hall (Philharmonics) since 2016 and periodically informs the public of the updates. [1] The case deals with the implementation of the provisions of the agreement signed between the State and [REDACTED] Events A LLC in 2007, pursuant to which 100% shares of "Tbilisi State Concert Hall" LLC was transferred for 49 years with the right of management thereof.

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In February of this year, GYLA applied to the National Agency of State Property and requested the information about the company's indebtedness to the State. According to the official information provided by the Agency, as of the February 2019 data, [REDACTED] Events A LLC has the outstanding payment of the management fee and penalty in the amount of 3,115,146 GEL and 177,102 USD to the State.

The indebtedness includes the period from 1 January 2010 to the present day.

According to the official information at GYLA [REDACTED] disposal, on 4 January 2019, the National Agency of State Property addressed in writing and informed [REDACTED] Events A LLC that the Agency based on Article "6.2" of the agreement signed between the parties, unilaterally terminated the agreement.

**Consequently, upon the moment of submitting the notification to the company, the agreement between the parties is considered terminated.**

Despite the fact that from the moment of the delivery of the above-mentioned notification to the company, the agreement was deemed terminated, "International Events" LLC appealed in writing to the Government of Georgia, as well as the Minister of Economy and Sustainable Development of Georgia and made a completely ungrounded request as follows:

- Exemption of the company from the payment of the penalty;
- Reduction of the management fee from 250,020 GEL to 100,000 GEL;
- Distribution of the existing indebtedness into 9 year installment schedule;
- To hold 60 local events instead of 100.

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GYLA is not aware of the further follow-ups of the statement sent by the company to the Government and the Minister of Economy and Sustainable Development of Georgia. But it is known that on 1 March of the current year, the Agency, in its letter sent to GYLA, expressly noted that the [agreement with the company is not terminated](#) . **However, legally, the contract with [REDACTED] Events LLC A was terminated on 4 January 2019.** This means that there might be an informal communication within the process aiming to leave Tbilisi Concert Hall in the management of "International Events" LLC.

**Considering all the foregoing, we believe that:**

- National Agency of State Property should immediately initiate the procedures to ensure the return of the "Tbilisi State Concert Hall" to the State's management;
- Also provide timely and proactive information to the public about the activities conducted for the purpose of returning "Tbilisi State Concert Hall" to the State [ ] management.

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[1] e.g. [2016](#); [2017](#); [2018](#) ; [2018](#);