

Draft

LAW OF THE REPUBLIC OF ABKHAZIA

On Measures to Improve the Socio-Economic Development of Oчамchira, Tquarchal, and Gal Districts of the Republic of Abkhazia

This law establishes the legal foundations for creating conditions to enhance the socio-economic development of the Oчамchira, Tquarchal, and Gal districts of the Republic of Abkhazia, specifically to stimulate the tourism industry.

The provisions of this law apply to multifunctional real estate complexes constructed exclusively in the Oчамchira, Tquarchal, and Gal districts of the Republic of Abkhazia.

Article 1. Basic Terms Used in this Law

For the purposes of this law, the following basic terms are used:

1. **Multifunctional Real Estate Complex** - a non-residential real estate complex consisting of one or several multifunctional buildings constructed within the boundaries of a single plot, with developed territory and infrastructure, located in the Oчамchira, Tquarchal, and Gal districts of the Republic of Abkhazia.
2. **Multifunctional Building** - a building containing non-residential commercial premises of various functional purposes, namely:
 - Apartments;
Accommodation facilities, including parts of the multifunctional building, where accommodation services and, as a rule, catering services with a reception area are provided, as well as facilities for providing additional services (hereinafter - accommodation facility).
 - Other commercial premises intended for serving people to meet their daily needs (cafes, shops, studios, bank branches, sports complexes, children's rooms, etc.);
3. **Apartment** - a non-residential commercial premise located in a multifunctional building with a total area of at least 50 (fifty) square metres, consisting of one or more rooms with sleeping accommodations and a kitchen area, intended for temporary residence;
4. **Commercial Premise** - a non-residential commercial premise intended for use to generate profit;
5. **Accommodation Facility** - a part of a multifunctional building where accommodation services and, as a rule, catering services with a reception area are provided, as well as facilities for providing additional services.

6. **Apartment Owner** - a physical or legal person owning an apartment on the basis of ownership rights.

Article 2. Basic Conditions for the Placement and Construction of Multifunctional Real Estate Complexes in Ochamchira, Tquarchal, and Gal Districts of the Republic of Abkhazia

1. Land plots for the construction of multifunctional real estate complexes are provided to developers in Ochamchira, Tquarchal, and Gal districts of the Republic of Abkhazia in the manner established by the Land Code of the Republic of Abkhazia.
2. The land plot provided for the construction of a multifunctional complex must be at least 1 hectare.
3. Multifunctional buildings must comply with the requirements established by the legislation of the Republic of Abkhazia, building norms, and regulations.
4. The requirements for the project of a multifunctional real estate complex, as well as the procedure for its approval, are determined by the Cabinet of Ministers of the Republic of Abkhazia in agreement with the heads of the administrations of Ochamchira, Tquarchal, and Gal districts. The project of a multifunctional real estate complex is subject to approval by the head of the administration of the respective district in the manner determined by the Cabinet of Ministers of the Republic of Abkhazia.
5. The total number of apartments in a multifunctional building constructed within the framework of a multifunctional real estate complex in Ochamchira, Tquarchal, and Gal districts of the Republic of Abkhazia should not exceed 10,000 (ten thousand).
6. The total number of apartments within the framework of multifunctional real estate complexes for the respective district is established by the Cabinet of Ministers of the Republic of Abkhazia upon the proposal of the head of the district administration.

Article 3. Legal Status of a Multifunctional Building

1. A multifunctional building is constructed within the framework of a multifunctional real estate complex, consisting of one or several multifunctional buildings with an adjacent land plot within designated boundaries.
2. A multifunctional building must include at least one multi-story (no less than seven stories) multifunctional building.
3. A multifunctional building must necessarily consist of:
 1. Apartments;
 2. Accommodation facilities occupying part of the multifunctional building;

3. Other commercial premises.
4. In a multifunctional building constructed as part of a multifunctional real estate complex, the accommodation facility must occupy at least 25 percent of the total area (excluding the area occupied by commercial premises provided for in paragraph 3 of part 3 of this article).

Article 4. Legal Status of an Apartment

1. An apartment is a commercial premise.
2. An apartment can be individually owned or jointly owned.
3. Ownership rights to an apartment, as a real estate object, are subject to state registration. The procedure for state registration of ownership rights to an apartment is regulated by the civil legislation of the Republic of Abkhazia.
4. An apartment is not a residential premise and is not intended for permanent residence of citizens.
5. The housing legislation of the Republic of Abkhazia does not apply to apartments.
6. It is prohibited to convert accommodation facilities, as specified in point 2 of part 3 of article 3 of this law, into apartments.
7. It is prohibited to convert an apartment from a non-residential to a residential premise. It is also prohibited to convert any objects within a multifunctional building, as well as the multifunctional building itself (wholly or partially), into a residential premise.

Article 5. Rights and Obligations of an Apartment Owner

1. The owner of an apartment has the right to acquire ownership of other commercial premises in a multifunctional building.
2. The presence of an apartment owned by a foreign citizen or a stateless person does not constitute grounds for obtaining a residence permit or citizenship of the Republic of Abkhazia.
3. The owner of an apartment owns, uses, and disposes of their apartment in accordance with the norms of the civil legislation of the Republic of Abkhazia.
4. The owner of an apartment is obliged to ensure the preservation, proper technical, and sanitary condition of their apartment, to carry out current and capital repairs of their apartment without causing damage to property and without violating the rights and interests of other owners of commercial premises in the multifunctional building,

and to bear the common expenses for the maintenance and repair of the common property in the multifunctional building in proportion to their share in the right of common ownership of such property.

5. The owner of an apartment has the right to use the apartment to generate income, including by providing it for accommodation and temporary residence of other persons.
6. The owner of an apartment, being a natural person, has the right to use the apartment for personal purposes not related to profit-making activities, for their own temporary residence.
7. The owner of an apartment has the right to delegate the right to commercial use of their apartment to another person based on a concluded civil law transaction on the commercial use of the apartment, which determines the rights and obligations of the parties to the transaction.
8. It is prohibited to use the apartment for purposes other than those specified in this law.
9. The owner of an apartment is obliged to comply with sanitary and fire safety regulations.

Article 6. Mandatory Payments by Apartment Owners and (or) Other Commercial Premises of Multifunctional Buildings. Obligation to Comply with Migration Legislation.

1. The owner of an apartment and (or) other commercial premises of a multifunctional building is obliged to pay for expenses incurred in connection with the provision of services for water supply, sewerage, electricity supply, gas supply (if available), heating and heat supply (if available), waste management services in accordance with established tariffs according to the legislation of the Republic of Abkhazia.
2. The owner of an apartment and (or) other commercial premises is obliged to pay other expenses arising in connection with the acquisition, use, and ownership of apartments and other commercial premises in a multifunctional building, including payment for services provided by third parties in the established manner.
3. The owner of an apartment and (or) other commercial premises of a multifunctional building is obliged to pay taxes and fees payable in accordance with the legislation of the Republic of Abkhazia on taxes and fees.
4. The owner of an apartment and (or) other commercial premises of a multifunctional building, who is a foreign citizen or a stateless person, is obliged to comply with the requirements established by the migration legislation, including registration at the place of residence on the territory of the Republic of Abkhazia.

Article 7. Civil Transactions for the Ownership, Use, and Disposal of Apartments and Other Commercial Premises of a Multifunctional Building

Civil transactions for the ownership, use, and disposal of apartments and other commercial premises of a multifunctional building are carried out in accordance with the civil legislation of the Republic of Abkhazia.

Article 8. Grounds for Restricting the Right to Acquire Ownership of Multifunctional Buildings, Apartments, and Other Commercial Premises of a Multifunctional Building, as well as the Right to Provide Land for the Construction of Multifunctional Real Estate Complexes

1. It is prohibited to acquire ownership of multifunctional buildings, apartments, and other commercial premises of a multifunctional building, or to provide land for the construction of multifunctional buildings to an individual, acting as a developer, including through participation in the activities of a legal entity, if the specified individual or members of their family:
 1. Opposed or oppose the independence and state sovereignty of the Republic of Abkhazia, or for the violent change of the constitutional order of the Republic of Abkhazia, or by other actions pose a threat to the security of the Republic of Abkhazia, or fought against the state structure or the existing government in the Republic of Abkhazia using unconstitutional methods;
 2. Participated in military actions against the Republic of Abkhazia in the Patriotic War of the people of Abkhazia in 1992-1993, or provided assistance to the occupation regime during the Patriotic War of the people of Abkhazia in 1992-1993, participated in military actions against the Republic of Abkhazia in other periods, in illegal armed formations committing crimes on the territory of the Republic of Abkhazia, in other illegal actions against the population of the Republic of Abkhazia;
 3. Committed a crime based on political or national hatred and hostility, discrimination of citizens based on nationality and ethnic origin, language, country of birth, residence, or committed a crime against citizens of the Republic of Abkhazia, including those residing abroad, or were involved in their commission;
 4. As an official of a state body of a foreign state, made a decision that violated the rights and legitimate interests of citizens of the Republic of Abkhazia and legal entities registered in accordance with the legislation of the Republic of Abkhazia;
 5. Have an unexpired or unresolved conviction for committing a serious or especially serious crime on the territory of the Republic of Abkhazia or beyond its borders, recognized as such in accordance with the legislation of the Republic of Abkhazia.
2. Transactions made by individuals specified in part 1 of this article (excluding family members of individuals specified in point 5 of part 1 of this article), as well as by legal entities with their participation, aimed at acquiring ownership rights to multifunctional buildings, apartments, and other commercial premises of a multifunctional building, or rights to land plots for the construction of multifunctional buildings, on acquiring shares in the authorised capital or shares of legal entities that are owners of

multifunctional buildings, apartments, and other commercial premises of a multifunctional building are considered invalid and do not entail legal consequences, except for those related to their invalidity and are invalid from the moment of their conclusion.

3. The procedure for confirming the absence of grounds for restricting the right to acquire ownership of multifunctional buildings, apartments, and other commercial premises of a multifunctional building, as well as the right to provide land for the construction of a multifunctional real estate complex, as provided for in part 1 of this article, is established by the Cabinet of Ministers of the Republic of Abkhazia based on the submission of the State Security Service of the Republic of Abkhazia.

Article 9. Collection from Apartment Owners

1. The owner of an apartment pays a collection from apartment owners in accordance with the tax legislation of the Republic of Abkhazia.
2. The amount of the collection rate from apartment owners, the object of taxation by collection from apartment owners, and the procedure for payment are established by the legislation of the Republic of Abkhazia.
3. Funds from the payment of the collection from apartment owners are directed to providing housing for certain categories of citizens of the Republic of Abkhazia in the manner established by the budget legislation of the Republic of Abkhazia.

Article 10. Final Provisions

1. This law comes into force from the day of its official publication.
2. The provisions of this law extend to the design and construction of multifunctional real estate complexes, the land plots for which are provided in accordance with land legislation after the day this law comes into force.

Adopted by the People's Assembly - Parliament of the Republic of Abkhazia on “ ____ ”
_____ 2024

PRESIDENT OF THE REPUBLIC OF ABKHAZIA A. BZHANIA

Sukhum “ ____ ” _____ 2024

No. ____

Translated from Russian by AW. This translation is not official.