### Report

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# The Legal and Economic Framework of Internships in Georgia: Country Report

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Abstract: This article examines the legislative regulation of "open market internships" in Georgia, focusing on the 2020 amendment to the "Labor Code of Georgia." Prior to this reform, internships lacked legal definition and were excluded from systematic regulation, despite their growing relevance in the labor market. The introduction of Article 18 marked a pivotal shift by formally recognizing the concept of internships and establishing rules for "open market internships" – those not governed by other legal acts. Notably, the provision excludes internships in public institutions and legal entities under public law, creating a dual regulatory framework. The article analyzes the implications of this amendment, exploring how the legal codification of internships addressed previous ambiguities related to unpaid labor and informal referrals disguised as internships. It also traces how informal practices and growing demand for professional experience gradually shaped the practical and legal understanding of internships even before formal recognition. By evaluating the legal, institutional and practical aspects of internship regulation, the article highlights the challenges of implementing comprehensive standards and the significance of legal clarity in aligning internship practices with labor rights and social protections in Georgia's evolving labor market.

Keywords: Labor Code of Georgia; Open market internship; Intern; Organization; Regulation; Intern rights

### Introduction

he Organic Law of Georgia, titled the "Labor Code of Georgia," is the primary legal act regulating labor and related relations in Georgia. Following a legislative amendment on September 29, 2020, Article 18 of the Labor Code of Georgia addressed an issue that had previously remained unregulated: the legal status of interns. [1] This amendment introduced

the concept of internships into the legal framework and established regulatory norms governing relationships between labor contract parties not covered by specific legislation.<sup>[2]</sup> However, the provisions of this article do not apply to public institutions receiving interns<sup>[3]</sup> or to legal entities under public law.<sup>[4]</sup>

Despite the recognized need, advisability and repeated recommendations, the institutions of internships in

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the labor market lacked a conceptual and systematic legal framework until 2020.<sup>[5]</sup> This gap existed even as interest in internships along with referrals to organizations and unpaid work under the guise of internships had been significantly growing.<sup>[6]</sup> Regulating internships at the legislative level became a key component of the broader labor code reform, which had previously delayed the formal recognition of interns' legal status and the establishment of relevant regulations.

Currently, Article 18 of the Labor Code of Georgia is the main legal provision governing "open market internships." It is worth noting that many aspects of the legal nature of internships began to take shape long before their formal legislative regulation. These early developments gave internships a distinctive character in terms of their availability, frequency and accessibility in both public and private sectors.<sup>[7]</sup>

Over time, the informal and unregulated nature of self-organized internships has contributed to various challenges in the labor market. [8] These include inadequate protection of interns' rights, unclear assignment of responsibilities, the misrepresentation of other types of work relationships as internships, difficulties in resolving disputes and uncertainty about how to classify such relationships contractually. [9]

The purpose of this article is to determine the legal nature of internships as regulated by Article 18 of the Labor Code of Georgia and to identify the qualifying characteristics that distinguish internships from labor and employment agreements for a trial period.

The importance and relevance of this research lie in assessing the critical role of internships in facilitating access to professional development for interns, as well as in highlighting the risks associated with disguising employment contracts as internships. The study also underscores the necessity of establishing legal safeguards to protect interns' rights and the importance of improving existing regulations.<sup>[10]</sup>

Official requests for opinions and information were submitted to several institutions, including: Tbilisi City Court and its Mediation Center,<sup>[11]</sup> the Department of Labor Conditions Inspection at the Ministry of Internally Displaced Persons from the Occupied Territories, Labor, Health and Social Affairs of Georgia,<sup>[12]</sup> the Georgian Association of Mediators,<sup>[13]</sup> the Personal Data Protection Service,<sup>[14]</sup> and the Public

Defender of Georgia.<sup>[15]</sup>

# 1. The Importance of Internships in Facilitating Employment Access and Professional Advancement

# 1.1. Internship Regulation in Georgia: A Legislative History in Comparison with EU Member State Frameworks

The emergence of internships in the labor market can be attributed to various practical factors.<sup>[16]</sup> Driven by self-organized actors and arising needs, the concept of internships as a form of agreement between parties began to take shape in Georgia even before any formal legal regulation was introduced, eventually developing into a distinct practice.

Unlike internships offered within public institutions or Legal Entities of Public Law, internships arising in the labor market were subject to minimal legal oversight. This lack of regulation created an expectation either for future legislative intervention or for the continued absence of additional oversight.

Despite the lack of a formal legal framework, both unpaid and paid internships in the labor market were still viewed as valuable opportunities for gaining experience, performing desired tasks and potentially securing future employment. However, such internships also presented certain difficulties, including legal ambiguities and practical challenges. Nevertheless, interns retained the freedom to participate in internships within public institutions and could terminate their engagement at any time without significant procedural barriers.

A working group eventually developed a legislative proposal to regulate internships in the labor market and submitted it to the Parliament of Georgia. However, consideration of the proposal was postponed until 2020. [17] One of the key questions was whether any obligations arising from the EU – Georgia Association Agreement required the regulation of internships under Georgian law – particularly within the Labor Code – as part of a harmonization process or in pursuit of broader functional goals. [18] At the same time, there was no consensus regarding the potential implications of formal legal regulation [19] and how it might influence future relationships and activities between interns and host organizations. [20]

The legislative history of internship regulation in

Georgia, when viewed in the context of the laws of EU member states, is not marked by the advantage of backwardness, but rather by its disadvantage. [21] The Georgian legislator missed the opportunity to learn from the regulatory experiences of other jurisdictions and failed to apply this advantage to create a well-developed framework for an institution that had previously remained legally unregulated. The proposed legislative amendment merely aimed to bring the legal status of interns under the scope of the Labor Code, rather than to introduce a comprehensive regulatory framework for internships in either a broad or narrow sense.

Internship regulation in EU member states is typically shaped by both common legal acts at the Union level and by domestic laws grouped and analyzed based on various compliance criteria. These regulatory frameworks offer structured approaches that balance the interests of interns and employers while ensuring clarity, fairness and legal certainty – principles that were absent in Georgia's earlier approach.

The European Union's recommendation on internships, known as the "Quality Framework for Internships," is non-binding in nature. [22] This recommendation outlines the definition and objectives of internships, serving as a guiding framework rather than enforceable legislation. [23]

Based on this framework, several types of internships are identified:

- 1. Internships conducted as part of a higher education institution's curriculum or through university partnerships;
- 2. Mandatory internships required for acquiring professional skills necessary for entering a specific profession;
- 3. Internships within various public sector institutions;
- 4. Internships in the general labor market, commonly referred to as open market internships.

It is both relevant and reasonable to compare open market internships defined at the EU level with those regulated by Article 18 of the Labor Code of Georgia, in order to assess their classification and distinguishing features.

Regarding the regulation of internships, EU member states may be grouped into three broad categories based on their approach:

- 1. Countries that do not legally regulate open market internships in the labor market, even in light of the EU Recommendation. These countries typically do not impose rules regarding remuneration or minimum wage, instead recognizing the self-regulatory nature of the internship relationship.<sup>[24]</sup>
- 2. Countries that regulate open market internships, introducing varying legal scopes and requirements. These may include provisions on the format, oversight and minimum conditions of internship agreements.<sup>[25]</sup>
- 3. Countries that either prohibit unpaid open market internships altogether or impose strict regulations, such as mandatory compensation or fixed limits on the duration of paid internship contracts.<sup>[26]</sup>

# 1.2. The Georgian Internship Model under the Reformed Labor Legislation

Under the reformed labor legislation, an internship is primarily defined as a fixed-term relationship with a specific purpose, the scope and rationale for which are established by the legislator in Article 18 of the Labor Code of Georgia. In all other cases – when the relationship between the parties does not fall under the provisions of this article – it is presumed that the organization's internal internship rules have been developed based on Georgian legislation and are not in conflict with it. When defining the nature of an internship, it is crucial to identify and apply criteria that determine its legal character.

To properly analyze this issue, it is essential to distinguish between the broad and narrow concepts of internships, while also clarifying the terminology, the content of the relationship and the applicability of relevant legal norms. Although the legislator associated the regulation of intern status with the harmonization of Georgian law with European Union legislation and international standards, it is important to note that the EU–Georgia Association Agreement does not impose a binding obligation on Georgia to regulate internships under labor law.<sup>[27]</sup> The EU recommendation on internships is non-binding and therefore, any alignment should be understood as voluntary approximation rather than mandatory harmonization.<sup>[28]</sup>

It must also be recognized that legislative regulation has provided a formal legal definition of internships, along with criteria to determine their legal nature, which reflect both pre-reform practices and the nonuniversal scope of the new legal framework. The legislative focus was on regulating the legal status of the intern, which would not have been possible even in a narrow sense without also addressing the broader institution of internships. Nevertheless, the explanatory note accompanying the law did not elaborate on this broader institutional regulation.

Consequently, the Georgian model of internships is evaluated based on the criteria that determine the legal nature of relationships under the reformed labor legislation. These criteria bear notable similarities to those governing employment and employment agreements for a trial period. This resemblance arises from the limited and partial regulation of internships, as the entire institution is covered by a single, formally defined norm, resulting in a substantively underdeveloped legal framework.<sup>[29]</sup>

Prior to the adoption of Article 18 of the reformed Labor Code, the term "internship" held various practical meanings in Georgia. [30] The introduction of a legal definition helped to some extent in classifying practical activities and relationships in the labor market under specific contract types and distinguishing between them. However, the substantive content of internships remains ambiguous, as no detailed or specific legal concept has been introduced that clearly defines the scope and nature of internship relationships.

The Georgian model of internship, as defined by the reformed Labor Code, is fundamentally different from internship forms regulated by special laws. For instance: the internship required for becoming a lawyer is considered part of both professional and labor activity, while the internship defined in the Labor Code is not regarded as labor and does not confer labor rights or obligations.<sup>[31]</sup> In the case of the Notary Chamber of Georgia, interns must pay a fee either in a lump sum or in installments according to Georgian legislation. In contrast, under Article 18 of the Labor Code, no financial payment is required from the intern. [32] The Law of Georgia "On Employment Promotion" defines internships as activities conducted with the assumption of future employment, while internships governed by the Labor Code do not imply any employment commitment.[33]

Thus, within the broad concept of internships, several narrower sub-categories can be distinguished:

1. The Georgian internship model under the reformed

Labor Code, which is conceptually regulated through the legal status of the intern as defined in Article 18. This model focuses on formalizing the intern's position within the labor market without equating it to employment.

- 2. Internship models defined by special laws, where regulation is determined by the specific scope, rules and requirements of those laws. These internships serve more specific professional or educational purposes and may confer different legal statuses.
- 3. Internships within public institutions and legal entities of public law.

Each of these models operates under a different legal logic, purpose and set of requirements, reflecting the diverse nature of internships in Georgian legal and institutional practice.

There was another reform that introduced two new norms in the Law of Georgia on Public Service, which made the legislation more flexible and simplified the regulations regarding internships. Articles 84¹ and 84² of the Law of Georgia on Public Service provide a clear, balanced and coherent framework for regulating internships in public institutions. Together, they ensure transparency, professionalism and equal access to opportunities for individuals seeking practical experience in the public sector.

Article 841 establishes the overall procedures, rights and responsibilities related to internships. It defines the general rules to be set by the Government of Georgia while granting specific public institutions such as the Parliament, the Presidential Administration and the National Bank the autonomy to adopt their own regulations. This balance between central oversight and institutional independence ensures flexibility within a unified legal framework. The article also sets clear limits on internship duration (from one to twelve months), requires formal agreements outlining the rights and obligations of both parties, and provides fair grounds for termination. Notably, it emphasizes mentorship and skill development by assigning public servants to guide interns, reinforcing the educational purpose of internships. Fiscal responsibility is also ensured through reference to the Law on Remuneration in Public Institutions, which regulates the number of interns and their compensation.

Article 84<sup>2</sup> defines who may serve as an intern, limiting eligibility to legally competent citizens of Georgia

who meet linguistic and educational requirements. It promotes inclusivity by opening opportunities to students and graduates of both higher and vocational education. At the same time, it maintains high ethical and professional standards by excluding individuals with criminal records, those dismissed for disciplinary reasons within the past year, or those who fail to meet health and integrity requirements such as a clean drug test. These conditions uphold the values of competence, honesty, and responsibility in public service.

# 2. a Determining the Legal Nature of an Internship

### 2.1. The Purpose of Internships

According to the reformed labor legislation, an intern performs work for an employer with a specific purpose, which may or may not involve remuneration. [34] The primary objectives of the internship are to improve qualifications, gain professional knowledge, develop specific skills, or acquire practical experience. It is important to note that the purpose of the internship is not to fulfill the employer's need for work or to serve only the employer's interest in having certain tasks performed under their direction. [35] Additionally, the internship is not intended to establish a permanent or continuous employment relationship (apart from the intern's personal interest in future employment with the organization). [36]

In Article 18 of the Labor Code of Georgia, determining the purpose of the internship requires aligning the normative provision with practical activity. On one hand, the internship is designed to serve the individual interest of the intern, whether compensated or not. The intern's goal should be to improve their qualifications, acquire the knowledge and skills necessary to perform a specific job, develop the ability to execute the job, or gain practical experience. On the other hand, the legislator introduces a conditional framework that mitigates potential risks inherent in the intern's practical activities, ensuring that the intern's work remains focused on a purposeful basis.<sup>[37]</sup>

Thus, the purpose of the internship, as defined by the reformed Labor Code, can be seen as comprising four independent components: the improvement of qualifications, the acquisition of professional knowledge, the development of practical skills and the gaining of practical experience. The necessity of the legislator's intervention in defining the internship's purpose in the private sector requires further consideration. The primary motivation behind this legal reform appears to have been to establish the legal status of the intern, rather than primarily addressing the incomplete nature of the internship's legal framework. However, without addressing the latter, it would not have been possible to effectively define the intern's legal status within the labor market.

For comparison, Resolution No. 410 of the Government of Georgia outlines the individual and primary public legal objectives of internships, incorporating several key aspects. [38] However, Article 18 of the Labor Code does not apply to public institutions and Legal Entities of Public Law. This raises important considerations regarding the targeted overlap of internships, the potential for effective control and the achievement of a basic level of equality in rights for interns across different sectors. [39] In the future, this may lead to the development of common definitions of the purpose of internships, ensuring greater consistency and fairness in their application. [40]

In contrast, the Law of Georgia "On Employment Promotion" provides a distinct approach. Internships under this law are defined as one of the ways to connect an employer with a job seeker. These internships are purposefully designed to offer prospective employment opportunities to job seekers, aimed at developing practical skills, improving knowledge and abilities and presumably leading to further employment. [41] This concept of internships aligns closely with the idea of pre-employment training and career development. [42]

It is important to note that, unlike Article 18 of the Labor Code, the purpose of an internship or the authority to regulate it may be established by a special law, [43] an organization's regulations, a legal act of a public institution, [44] or a regulation in force. [45] Despite these variations, the content of internships across different frameworks may ultimately share common goals, ensuring some level of consistency in the legal and practical treatment of internships.

### 2.2. Parties to the Internship Agreement

The parties to the internship agreement are the intern and the intern-receiving organization (hereinafter referred to as the employer). Broadly speaking, an

intern is a natural person who is accepted for an internship in accordance with Article 18 of the Labor Code, a special law, or the existing internship rules in public institutions or Legal Entities of Public Law. More narrowly, an intern refers specifically to a natural person as defined in Paragraph 1 of Article 18 of the Labor Code, who performs certain tasks for the employer, either with or without remuneration, for one or more specific and lawful purposes.<sup>[46]</sup>

The intern-receiving organization (or employer) is a natural or legal person, or an association of persons, for whom certain work will be performed under the internship agreement, either with or without remuneration, for the purposes outlined in Paragraph 1 of Article 18. [47] These characteristics apply to the broad definition of the intern-receiving organization as well.

When assessing the legal status of the parties to an internship agreement, it is important to consider established views on the relative strengths of the parties involved. On one hand, the organization receiving the intern is the employer and on the other, the concepts of the intern and the employee share similarities. These similarities include: the intern being a natural person, the existence of an agreement as the basis for the relationship and the intern performing work for the employer.

Given that the intern is a potential future employee, the scope of protection generally afforded to the "weak" party in such agreements should also extend to the intern. [48] Although internships do not automatically lead to employment or employment agreements for a trial period, there may be a chronological and logical sequence between these stages. This creates the possibility of similar definitions and the eventual equality of rights between the parties, particularly with respect to their legal status under the contract. [49] In distinguishing internships from employment and employment agreements for a trial period, the potential identity of the parties to the contract leads to the expectation that problematic issues arising from the relationship should be resolved through the written contract between the parties. However, this may not always be sufficient if the intern fails to perform the tasks specified in the contract, or if the internship agreement does not adequately reflect the relationship between the parties.

#### 2.3. Term of the Internship Agreement

Internships are purpose-defined, fixed-term relationships. According to current regulations, the maximum duration of an unpaid internship contract is 6 months, while a paid internship can last up to 1 year. The legislator uses the presence or absence of remuneration for the work performed as the primary criterion for determining the term of the contract, setting a maximum duration for each type of internship.

However, the legislator has not established a minimum term for the contract, nor has it specified any minimum period during which the employer is prohibited from terminating the internship. Additionally, there are no clear regulations regarding the termination, suspension, or restarting of the internship term in cases of unsatisfactory performance. Does this mean that the internship contract (similar to a trial employment contract) may be terminated at will, at any time, without the application of the protective provisions established under the general rules on dismissal? While internships are fixed-term, purposedefined relationships, it remains legally possible to extend the term without the intern being hired by the employer for future employment. Therefore, the current regulations regarding the internship's duration do not fully guarantee the advancement of employment prospects for the intern.

For comparison, according to Article 16, Paragraph 2 of the Law of Georgia "On Employment Promotion", the duration of an internship contract is set to a maximum of 6 months. Similarly, Article 4, Paragraph 2 of Resolution No. 410 of the Government of Georgia limits the internship period to between 1 month and 6 months. According to Article 11, Paragraph 1 of the Rules for Internship at Ivane Javakhishvili Tbilisi State University, the internship duration is set at 4 months. The internship at the Georgian Chamber of Notaries lasts 10 months, [50] while the internship at the Public Defender's Office of Georgia is determined by an order from the Public Defender, with a duration ranging from 1 month to 1 year. [51]

Thus, the question arises as to whether the durations set by the current regulation are adequate or permissible. It is worth considering the internship durations listed on employment websites, where internships are categorized based on the contract length. These durations can be grouped into categories based on the specified period: those with no direct time frame, those lasting less than 3 months with specific hourly work schedules, those between 3 and 6 months and those exceeding 6 months.<sup>[52]</sup>

# 2.4. Limitations on the Number of Times an Internship Contract Can Be Concluded

The limitation on the number of times an internship contract can be concluded applies specifically to unpaid internships and affects both the intern and the host organization. This provision restricts an intern's ability to engage in multiple unpaid internships with the same employer, regardless of the purpose or any special significance the internship may hold. Likewise, it limits the organization's ability to enter into repeated unpaid internship agreements with the same individual. [53]

As a result, unpaid internships with the same employer are considered a one-time or exhaustible right for the intern. In contrast, paid internships whether with the same or different employers are treated as multiple, non-exhaustive and ongoing opportunities. Therefore, no restrictions apply to the number of paid internship contracts that can be concluded with the same or different employers.<sup>[54]</sup>

Interns retain the right to engage in unpaid internships with various employers. There is also a prevailing perception that the restriction on the number of internship contracts is conditional. Internships, whether paid or unpaid, are increasingly viewed as continuous in nature due to the broad and diverse opportunities available across different employers.

# 2.5. Place and Time of Work Performance in Internship Agreements

The internship agreement must clearly define the specific work that the intern will perform for the employer, whether compensated or not. The time and place of the internship are determined by mutual agreement between the parties. [55] Since all minimum protection standards provided by the Labor Code of Georgia (with the exception of Chapter VII) apply to the agreement concluded with the intern, the agreement should not focus on developing specific conditions, but rather must not deviate inappropriately from the standards defined by the law. [56]

In addition to the nature of the work to be performed, the will or proposal of either party may influence the determination of the workplace and working hours. [57] These should be defined either in accordance with specific terms agreed by the parties or based on the minimum standards of protection set out in the Labor Code. [58] The law does not require the employer to provide a separate workplace for the intern distinct from that of employees working under an employment contract, nor does it impose specific regulations concerning working hours.

It is also important to highlight the impact of the restrictions introduced during the COVID-19 pandemic on labor relations, including the regulation of internships as a supplementary form of employment. <sup>[59]</sup> For instance, the shift to fully remote work and the functional alignment of work location and hours between interns and regular employees became more common. <sup>[60]</sup> The pandemic period exposed greater challenges in regulating internships and highlighted the tendency toward uniform, non-differentiated treatment of interns under general labor regulation frameworks. <sup>[61]</sup> As a result, parties often refrained from developing individualized conditions for interns, leading interns much like employees to accept the same work locations and schedules.

## 2.6. Rights and Obligations of the Parties in Internship Agreements

Although all minimum protection standards established by the Labor Code of Georgia (except for Chapter VII) apply to internship agreements, the practical implementation of these provisions particularly regarding the accurate definition of the intern's rights and obligations remains problematic.

Due to the limited academic research on internships within Georgian legal scholarship, the definition of the intern's rights and responsibilities is often left to the discretion of the parties, with Article 18 of the Labor Code unable to effectively fulfill a guarantor function in this context. Consequently, the determination of the content of these rights and obligations lacks a specific formal basis. This raises important questions: What exactly can be regulated by the internship agreement? What standards currently exist for determining the scope of an intern's rights and duties? And to what extent has legislative intervention in the labor market been necessary or sufficient for the purpose of regulating internships?

The intern has the right to request that the employer

create the necessary conditions for fulfilling the tasks defined in the internship agreement conditions that ensure the intern's interests are met and that reflect concrete elements of the internship's purpose. In practice, this means the intern is entitled to actively engage in tasks as specified in the agreement, rather than remain in a passive or idle position. Furthermore, if the internship is paid, the intern has the right to claim and receive the agreed remuneration as stipulated in the internship agreement.

The law stipulates that all standards (except for maternity leave protection) apply to the internship contract, meaning that all regulations and protections provided by the Labour Code (e.g., working hours, rest breaks, paid leave, public holidays) should extend to interns. However, does this framework function effectively in practice?

In parallel with the performance of work, an essential component of an intern's rights is the ability to take breaks and benefit from all minimum standards of protection related to internship rights. However, certain issues remain unclear and appear to be unregulated. For instance, can a person employed under an internship agreement request paid leave, unpaid leave, or additional leave? Furthermore, what principle should guide the differentiation of the right to request leave for interns under paid versus unpaid internship contracts?

If, in practice, such differentiation is impossible or unworkable, then the application of minimum protection standards to interns becomes merely a formal provision one that lacks genuine protective intent and fails to guarantee the intern's rights. Similarly, ambiguity arises regarding weekends and public holidays, particularly in cases where the employer requires the intern to work on these days or when the internship agreement imposes restrictions on rest time. In such cases, the intern's right to rest may be limited in practice.

Interns are obligated to fulfill the tasks assigned to them under the internship agreement. The scope and nature of these duties may vary depending on the legal framework governing internships within a given organization. While interns are expected to perform their duties independently and in coordination with the training offered by the employer aimed at developing skills, acquiring experience and fostering learning the tasks assigned may not necessarily align with a genuine

training objective.[62]

Thus, while interns are expected to carry out their duties timely, properly, responsibly and in good faith, they may nevertheless find themselves in circumstances where the intended legal and developmental purposes of the internship are undermined. This highlights a structural concern: the determination of an intern's obligations is often marked by a distinctive imbalance, in which the intern may not benefit from the minimum standards of rights protection, yet may still be burdened with a broad set of obligations sometimes exceeding what is appropriate for the nature of the internship.

An organization has the right to accept an unlimited number of interns under paid internship contracts and may engage the same intern under an unpaid internship contract only once. The organization also has the right to terminate the internship agreement if the intern fails to fulfill the duties assigned to them. The organization may exercise any rights explicitly stated in the internship contract, including the right to define the specific terms and conditions of the internship through mutual agreement with the intern.

Additionally, the organization is entitled to offer the intern a practical training module relevant to the assigned tasks or to assign the intern to a specific department or area to acquire additional skills. The employer's right to recognize and reward the intern's performance such as through incentive mechanisms should not be excluded, even in the context of internship-based employment.<sup>[63]</sup>

The organization is obligated to comply with the legal requirements governing internships as established by national legislation. [64] The law clearly prohibits the employer from using the intern's labor as a means of avoiding the obligation to conclude a formal employment contract. Accordingly, the organization must not use an intern to replace an existing employee or assign to the intern the responsibilities and duties that properly belong to an employee. [65]

Furthermore, the organization is prohibited from hiring an intern in place of an employee whose employment has been suspended or terminated. These legal obligations compel the organization to refrain from exploiting the intern's work in a way that would subject them to employment-like conditions, even if such arrangements are agreed upon by the parties. The intent of the law is to ensure that the internship remains

distinct from formal employment, both in purpose and in practice.

The organization is obligated to ensure the creation of appropriate and necessary conditions for the performance of the work specified in the internship agreement. In the case of paid internships, remuneration must be provided in the amount and under the terms agreed upon by the parties in the contract.

The organization must not hinder the intern from exercising the minimum standards of protection related to their rights. While the organization, as an employer, may have an interest in enforcing certain rights and expectations typically associated with employment relationships, such interests must be appropriately balanced against the organization's legal and ethical obligations toward the intern. This includes respecting the distinct nature of the internship and upholding the intern's rights throughout the duration of the agreement.<sup>[66]</sup>

## 2.7. Different Guarantees for Paid and Unpaid Internships

The existence of different guarantees in the context of paid and unpaid internships is primarily a matter of agreement between the parties and the practical feasibility of implementation. As a starting point, it is essential to define what constitutes a "guarantee" in the context of internships and then distinguish between paid and unpaid internships by clarifying the differing legal circumstances surrounding each.

It is important to note that Article 18 of the Labor Code of Georgia does not provide a sufficient legal basis to differentiate between the types of guarantees applicable to paid versus unpaid internships.<sup>[67]</sup> The legislation does not establish any requirement or guidance regarding the conclusion of an employment contract in relation to internships of any form. As a result, internships whether paid or unpaid do not carry any legal guarantee of eventual employment.<sup>[68]</sup>

At the formal level, the primary distinction between paid and unpaid internships lies in the presence or absence of remuneration. However, this difference may be marginal or even diminishing in significance. In practice, internships within the labor market vary widely in terms of their content, structure and working conditions.<sup>[69]</sup>

Moreover, the impact of pandemic-related restrictions

has further deepened inconsistencies in how organizations approach internships.<sup>[70]</sup> These disparities have highlighted the limitations of Article 18 in ensuring the provision and implementation of different guarantees in the labor market.<sup>[71]</sup> Therefore, the regulation of such matters particularly the scope and nature of protections remain largely subject to the mutual agreement of the parties involved.<sup>[72]</sup>

### 2.8. Form of the Internship Contract

The relationship between the intern and the employer is governed by a written contract. The conclusion of such a contract is a mandatory legal requirement. It is expected that, in drafting the contract, not only are the basic principles of contract formation observed (including the formal structure of the document), but the specific legal characteristics associated with internships are also duly considered.

The requirement for a written internship agreement serves an important legal function it provides a basis for establishing the validity of the internship itself. The legislator has recognized the necessity of a written contract to regulate the legal status of the intern and to ensure clarity in defining the rights and obligations of both parties.

This formal requirement applies equally to both paid and unpaid internships, underscoring the importance of documenting the internship relationship in all cases, regardless of whether remuneration is provided.<sup>[73]</sup>

## 2.9. Possibility of Counting the Internship Period as Work Experience

Under Article 18 of the Labor Code of Georgia, the internship period is currently not recognized as part of an employee's length of service. This raises a legitimate question: is it practically feasible to include the internship period in the length of service and is there a need or willingness to pursue legislative changes to implement this?<sup>[74]</sup>

Amendments to the Law of Georgia "On Public Service" points out that existing legislation lacks a general definition of "internship" and does not establish a unified legal framework for its regulation. Therefore, it calls for the creation of common normative bases to correctly classify internships both in a broad and narrow sense. It further notes that the work performed during an internship is not currently considered as work experience. Removing this restriction in the future may

introduce complex challenges related to the practical implementation of internships, including effective oversight and the precise definition of contractual terms.

It is evident that discussions about amending Article 18 of the Labor Code continue, largely because the legal status of interns has so far been defined in a conditional and formal manner, without adequately considering the substantive legal nature of internships.

### 3. Termination of Internships and Dispute Resolution Mechanisms

## 3.1. Grounds and Conditions for Termination of Internships

The partial application of Article 47(1) of the Labor Code of Georgia to internship agreements is allowed by virtue of Article 18(5). However, since Article 48 does not apply, the practical significance of applying Article 47 becomes unclear. While the parties may agree on other regulatory terms under the internship agreement (potentially involving Article 48), it is unlikely that the employer would simultaneously apply both Articles 47 and 48 in the context of internships, particularly unpaid ones.<sup>[75]</sup>

A key issue arises concerning the lawful termination of internship agreements: there is no explicit provision in the Labor Code that governs the termination process of an internship agreement. Consequently, no general rule guarantees fair grounds or conditions for termination tailored to each specific case. This gap has prompted active debate in both legal scholarship and practice.<sup>[76]</sup>

Several scenarios merit consideration:

- 1. Failure to Fulfill Obligations: Termination may be justified if one party fails to fulfill the duties stipulated in the internship agreement. While the agreement defines these obligations, there is no direct regulation in Article 18 addressing how to assess such failures. Clarifying the standards for breach is essential regardless of who initiates termination.
- 2. Initiation of Termination: The effects and legal consequences of termination differ depending on whether the intern or the organization initiates the process.
- 3. Long-term Incapacity: Prolonged inability of the intern to perform assigned tasks may justify termination. Notably, complications from COVID-19

may potentially qualify as grounds for long-term incapacity, though this requires careful legal and medical evaluation.

The termination of an internship agreement is primarily based on the mutual consent of the parties involved. Additionally, termination can occur due to failure to fulfill obligations set forth in the internship agreement, violation of internal legal acts or policies of the organization, other grounds provided by the legislation of Georgia.

However, it is important to note that the current legislation does not explicitly regulate the detailed grounds and conditions for terminating an internship agreement. This legislative gap has led to the perception that internship agreements can be terminated easily and at any time. Such flexibility may have both advantages and disadvantages, depending on the perspective of each party involved in the agreement.

### 3.2. Scope of Application of Social and Economic Rights Guarantees for Internships

Extension of Social and Economic Guarantees to Internships: Challenges and Considerations. The extension of social and economic rights guarantees from employees to interns is fundamentally governed by constitutional, normative,<sup>[77]</sup> social<sup>[78]</sup> and judicial frameworks. Assessing the feasibility of applying these guarantees to internships requires a careful evaluation of both current internship regulations and the prevailing social realities.<sup>[79]</sup>

The existing regulatory framework for internships is marked by weaknesses, ambiguities and significant gaps. This leads to a notable asymmetry in rights and frequent inequalities between the parties involved. In environments where mechanisms for monitoring and evaluating internships are insufficient, interns often face obstacles in exercising their rights. Furthermore, the conditions under which internships are conducted may vary significantly, creating disparities that challenge the legitimacy of extending employee-level social and economic guarantees to interns.

These issues raise critical questions about whether interns possess the necessary awareness, capacity and resources to effectively claim such rights. Consequently, any attempt to equally distribute social and economic guarantees among the parties to an internship agreement must address these structural and practical imbalances.

#### 3.3. Internship Control and Evaluation Forms

The forms of control and evaluation of internships are determined independently by the organization hosting the intern, within the scope of managing its internal organizational relations. Current legislation does not prescribe mandatory formal requirements for issuing certificates that confirm either the successful or unsuccessful completion of an internship. Additionally, there are no stipulated minimum standards that the control and evaluation methods, developed by the organization, must satisfy.

This legislative gap leaves significant discretion to organizations regarding how internships are assessed and certified, potentially leading to inconsistencies in the recognition of internship outcomes and the quality of evaluation processes.

The dispute resolution clause is an integral part of the internship agreement, providing mechanisms for resolving conflicts through court proceedings and mediation. To date, no court cases related to disputes arising under Article 18 of the Labor Code of Georgia have been registered at the Tbilisi City Court. [80]

According to a response dated May 2, 2022, from the Georgian Mediators Association, disputes under Article 18 are generally admissible for mediation, although no mediation cases involving internship disputes have been identified thus far. Similarly, a follow-up inquiry with the Tbilisi City Court confirmed that no cases specifically related to the legal relationships established by Article 18 have been registered.<sup>[81]</sup>

Furthermore, data from the Tbilisi City Court's Mediation Center shows that between 2020 and the present, a total of 288 cases have been referred for mediation, of which 79 cases (27.4%) concerned labor disputes. This statistic indicates that despite reports of dissatisfaction with the current internship regulations highlighted in various intern surveys such dissatisfaction rarely progresses to formal dispute resolution procedures aimed at protecting interns' rights.

# 4. Legal Classifiers Distinguishing between Employment Contracts and Employment Agreements for a Trial Period

# 4.1. Employment Contracts and Their Relation to Internships

One of the fundamental means of ensuring freedom

of labor in Georgia is the legal regulation of the conclusion of an employment contract whether oral or written, for a fixed term or an indefinite period and the main issues connected to it.

According to the prevailing view, based on the principle that everyone has the right to freely choose their job, the legislator should not prioritize either the employment contract or the internship contract at the legislative level. However, clear rules should be established to distinguish between these two types of contracts and to define the respective legal burdens and consequences.

An internship contract, which must be concluded in writing for a specified period, is not inferior to an employment contract but is fundamentally different in terms of its regulation and in the rights or legal benefits it confers upon the parties. The preference of the contracting parties to choose between an internship contract and an employment contract according to their interests should be respected and legally supported.

The purpose of concluding an employment contract is twofold: on one hand, to establish the organizational framework of labor and on the other, to specify the content and conditions under which work is to be performed in exchange for remuneration from the employer. In contrast, the purpose of an internship contract is not solely focused on the performance of work; rather, it is more abstract, formal and conditional. It often lacks the capacity to define a specific employment objective, although this absence is not prohibited by law. Therefore, the purpose criterion alone is insufficient to fully assess the expected outcome of the relationship. The stated purpose and the duties assigned may differ significantly. Consequently, to determine a clear expected result, this criterion must coexist with other defining factors.

The parties to an employment contract are the employer and the employee. Regarding internships, it is important to note that the organization hosting the intern acts as the employer, even though the intern, as the "weaker" party, holds a legal status distinct from that of an employee. [82] An individual is recognized as an employee by virtue of the employment contract, whereas an intern is recognized as such based on the internship contract. This raises the question of how much weaker the legal status of an intern is compared to that of an employee. This question stems from the

ambiguity and the limited scope in the application of the minimum standards of rights protection afforded to interns.

The term of an employment contract may be established for either a fixed or an indefinite period, in accordance with the provisions of Article 12 of the Labor Code of Georgia. This norm encompasses various components related to the determination of the contract's duration, allowing the employment relationship to be classified as short-term, long-term, or indefinite within the framework of labor freedom. In contrast, an internship contract is concluded exclusively for a fixed term, where the issue of remuneration serves as the primary criterion for determining the maximum permissible duration.

Unlike internships, there is no general statutory limitation on the number of times an employment contract may be concluded with the same or different employers. In specific cases, such limitations may arise from particular legal grounds related to the nature of fixed-term or indefinite contracts, but these do not pertain to the rationale governing the limitation on the number of internship contracts.

The place and time of work performance under an employment contract are determined by the organizational conditions of labor. However, Article 18 of the Labor Code of Georgia does not provide explicit regulation regarding the place and time of work for internships. These matters are left to the agreement between the parties, subject to the application of minimum standards of protection for the intern. Given the more detailed regulation of these conditions in employment contracts, the extent of their applicability to internships remains unclear.

The rights and obligations of the parties to an employment contract are determined by mutual agreement. While this principle may serve as a distinguishing criterion when compared to internships, it does not, by itself, prevent potential abuses such as inappropriate co-employment arrangements.

Different guarantees apply depending on whether the relationship is governed by an employment contract or an internship contract. Notably, to date, no court disputes concerning internships have been registered in the Tbilisi City Court, which suggests that issues in this area may be underreported or hidden. This is especially significant given that, from 2020 to the present,

288 cases were referred to the Mediation Center of the Tbilisi City Court, of which 79 cases (27.4%) concerned labor disputes.<sup>[83]</sup>

The issue of work experience acquired through an employment contract fundamentally differs from that obtained through an internship contract, which serves as a distinguishing criterion. However, relying solely on this single criterion is insufficient to resolve the complex challenges inherent in these relationships. In this context, amendments to the Law of Georgia "On Public Service" aimed at encouraging youth participation in public service by strengthening the internship institution and enhancing the legal status of interns is particularly relevant. It is crucial that a corresponding with similar objectives be proposed promptly in response to this initiative.

Therefore, while the relationship between an employment contract and an internship contract is marked by several distinguishing legal features, establishing a clear chronological or causal sequence between them remains difficult. Notably, the early or successful completion of an internship does not constitute an automatic or unconditional basis for entering into an employment contract.<sup>[84]</sup>

# **4.2.** Employment Agreements for a Trial Period and Their Relation to Internships

The purpose of employment agreements for a trial period is to assess the suitability of an individual for the specific work to be performed. This objective distinctly differs from that of an internship. In employment agreements for a trial period, the focus is on determining whether the employee meets the requirements for the assigned job, thereby predetermining the expected activities and outcomes. Conversely, in the case of an internship, the purpose or interest in employment is not formally recognized or regulated at the legislative level. [85]

The parties to a employment agreements for a trial period are the employer and the employment agreement for a trial period employee, who is considered employed under the terms of the contract. Therefore, the employee is a full party to the contract with corresponding rights and obligations.

The maximum term for employment agreements for a trial period is six months, which coincides with the maximum duration of an unpaid internship contract. Employment agreements for a trial period may be concluded with the same individual only once, reflecting a limitation on the repetition of such contracts.

The place and time of work performance under employment agreements for a trial period are determined in accordance with the provisions of the Labor Code of Georgia.

The rights and obligations of the parties to an employment agreement for a trial period determined by the agreement set forth in the contract concluded between them. Similarly, an internship contract also serves to establish such rights and obligations, although it is important to recognize the potential risk of discrepancies between the written terms and the actual duties performed.

The guarantees associated with employment agreements for a trial period and internships differ significantly, primarily due to the explicit prospect of employment in the former. Specifically, under an employment agreement for a trial period, the employer retains the right to conclude either a fixed-term or permanent employment contract with the employee at any time during the trial period. Conversely, the legislative framework governing internship contracts does not formally recognize the purpose or interest of subsequent employment.

Both employment agreements for a trial period and internship contracts must be concluded in writing.

Unlike internship contracts, the law explicitly allows the period of an employment agreement for a trial period to be counted towards the employee's total work experience.

In summary, although employment agreements for a trial period and internship contracts share some formal similarities, they are fundamentally different in terms of form, content and purpose.

### 4.3. Dangers and Preventive Mechanisms of Disguising Employment Contracts as Internships

It is practically possible to disguise an employment contract as an internship contract and the legislator explicitly acknowledges this risk in Article 18, Paragraph 2 of the Labor Code of Georgia. However, this risk is not uniform; rather, it is multifaceted and depends on the specific content of the relationship between the parties. Consequently, different forms of

this threat require tailored preventive mechanisms.

This means that certain internships regulated under Article 18 may fall outside the intended scope of the norm, resulting in unequal treatment of interns by employers. Such heterogeneity in treatment can adversely affect the interests of the intern.

The risk of disguising an employment contract as an internship, as identified in Article 18, Paragraph 2, primarily serves an informational purpose but underlines the necessity for careful oversight and clearer regulation to protect interns.

The risk of disguising an employment contract as an internship stems from several employer practices: Employers may exploit the intern's work to avoid formally concluding an employment contract with the intern or others. Employers might seek to replace regular employees with interns, creating a situation where the intern performs work typically assigned to employees, effectively reducing labor costs. Employers may opt to hire interns instead of employees whose employment relationship has been suspended or terminated, thus circumventing labor protections.

If the legal status of interns were reinforced with effective protective guarantees at the legislative level, these threats could be mitigated through a combination of self-regulation and the intern's enhanced capacity to defend their rights. Interns would then possess sufficient legal tools and resources to safeguard their interests.

Developing such protective legal mechanisms requires more than simply empowering labor inspectorates to monitor intern rights. It necessitates a direct strengthening of the intern's legal status, fully integrating it within the existing legal framework and social realities.

# 5. Judicial Practice and Typology of Disputes Arising from Internship Relationships

The Tbilisi City Court currently does not maintain statistical records or systematically process information and court decisions specifically related to disputes under Article 18 of the Labor Code of Georgia. Due to the absence of searchable data on such cases, it is not possible to assess how Article 18 relates to other types of disputes based on Tbilisi City Court data alone. Consequently, to evaluate judicial practice in this area, it is appropriate to examine rulings from the Civil

and Administrative Chambers of the Supreme Court of Georgia, where internships are assessed through typological characterizations reflecting their various objectives.

For instance, in one case adjudicated by the Civil Chamber of the Supreme Court, the plaintiff participated in a competition that offered the opportunity to undertake internships at public institutions abroad for professional development. The plaintiff won the competition but was unable to complete the internship due to being denied a visa for a foreign country, which was essential for the internship. The plaintiff sought compensation for material and moral damages. The court ruled that the inability to complete the internship was attributable to the plaintiff's own fault, as he had concealed and failed to fully provide the necessary information for visa processing.

In another case, the defendant was sent on a business trip to a foreign university pursuant to an official order. Two years after completing the internship and following the termination of the employment contract by the plaintiff, the defendant was notified that he was required to reimburse double the amount of expenses incurred during the internship, as stipulated by an agreement between the parties. The court clarified that the business trip undertaken for the internship was not solely for qualification improvement; rather, the internship had a different purpose for both the defendant and the employer-plaintiff. Consequently, the contractual clause requiring reimbursement of double the expenses was not upheld and the defendant was not held liable to pay the amount claimed. [86]

The court further examined whether the defendant enterprise had an obligation to provide internships within its departmental jurisdiction to individuals needing to complete internships in order to obtain the required qualifications for a professional rank. [87] It was established that such an obligation could arise from several legal instruments, including laws, government decrees and internship completion rules. In this case, the defendant relied on a Government of Georgia decree applicable to the institution, which did not impose such an obligation at the time the plaintiffs initiated their claim. [88]

In a separate case involving the assessment of a employment agreements for a trial period, the court noted the absence of an internship. This determination was based on evidence that the claimant did not complete the required theoretical and practical coursework, failed to participate in the assessment exam and was directly transitioned by the employer into a short-term employment contract.

The court found that the employer violated the terms of the pharmacy practice agreement, which stipulated that the individual would undergo a one-month internship and, upon successful completion, would be appointed to the relevant position. The contract clearly established completion of the internship as a prerequisite for entering into an employment contract, a condition further confirmed by the pharmacy practice agreement. The employer's failure to appoint the intern after successful completion constituted a breach of the agreement. [89]

This dispute concerned the invalidation of a decision by the General Inspectorate and an order related to termination of employment, reassignment to equivalent work and severance pay. The case illustrates the challenges caused by the absence of a clear, general definition of internship within public institutions.<sup>[90]</sup> It was noted that, according to established practice in the institution, rules governing internship completion, acceptance and termination are regulated by internal administrative acts issued by heads of institutions. The dispute raised questions about the relative legal weight of the internship contract versus such individual administrative acts. However, the Court of Cassation did not engage in an in-depth legal analysis of the nature of internships, deeming the dispute insufficiently novel to contribute to legal development.

The plaintiff faced a restriction preventing him from hiring interns or volunteers to manage a particularly heavy case load. Additionally, the plaintiff encountered issues when forwarding interns' requests concerning the non-completion of internships on non-working days. The court noted that the plaintiff alone was barred from hiring interns, resulting in a smaller support staff despite a large workload. Importantly, the court emphasized that employees do not have the authority to independently hire interns, since internship agreements must be concluded directly between the intern and the employer.

The court found that the testimonies of intern witnesses were inappropriate and insufficiently

probative due to the short duration of the internship. Such explanations could not be reliably used as the sole basis for imposing disciplinary measures against employees or for assessing alleged misconduct during the intern's period of activity. This highlights the court's caution regarding the evidentiary value of brief internship periods when it comes to disciplinary proceedings.<sup>[91]</sup>

The Supreme Court's Administrative and Other Categories Chamber ruled on a case where the plaintiff served as an intern prosecutor at the Prosecutor General's Office Training Center. After completing the maximum allowed 2-year internship, the plaintiff was dismissed because there was no positive recommendation or petition for appointment to the prosecutor position.

The court explained the following: The maximum internship duration at the institution is strictly 2 years. Upon expiration of this period, continuing the internship under the same conditions is not allowed. The institution has the discretion to make a positive or negative decision regarding appointment to the position. Extending the internship period to postpone the appointment decision is inappropriate and not supported by institutional rules.<sup>[92]</sup>

In another case before the Administrative and Other Cases Chamber, the plaintiff requested that the ministry where he was employed be ordered to send him on a one-year internship at another institution. The court explained that sending an incumbent employee on an internship is a discretionary power of the administrative body, not an obligation. Furthermore, the administrative body's possible consent does not automatically grant the person wishing to undergo an internship the right to request a promotion.

The plaintiff was not accepted for an internship at the Georgian Bar Association because the university had mistakenly issued him a diploma that did not indicate his qualifications. After the plaintiff's appeal, the university issued a new diploma; however, it informed the Bar Association that the plaintiff's qualifications were as a business lawyer, not as a lawyer. The plaintiff considered this notice to be an illegal act. The court held that the correct assessment of the qualifications of the person wishing to undergo an internship is a prerequisite for completing the internship, although it did not discuss the meaning of

the internship in its content. [93]

The plaintiff requested the invalidation of an individual administrative-legal act and reinstatement as an intern. The plaintiff's internship had been terminated in accordance with the institution's rules for completing internships, on the grounds that he was a conflict-prone person, although the legal basis for the termination was not specified. The court assessed the justification of the individual administrative-legal act issued under Article 18 of the Rules for Completing Internships at the Ministry of Economic Development of Georgia. It found that the administrative body failed to fulfill its obligation to establish the fact of a specific rule violation by the intern and did not properly apply the norm to an issue it had not sufficiently examined. [94]

Thus, judicial practice and the typology of disputes arising from these relationships demonstrate that, in the practice of the Supreme Court of Georgia, the legal nature of internships is determined based on the subject of the dispute and does not consider the full substantive aspects of the issue. Regarding disputes related to Article 18 of the Labor Code of Georgia, no cases concerning this issue have yet been filed in the Tbilisi City Court.

# 6. The Role of the Labor Inspectorate in Monitoring Guarantees for the Protection of Interns' Rights

The role of the Labor Inspectorate in overseeing the guarantees of interns' rights is crucial, but this role is currently underdeveloped. At this stage, the importance of the Inspectorate's involvement is largely theoretical, as the annual reports from the Labor Conditions Inspection Department do not address internship-related issues in depth. In some cases, internships are only briefly mentioned in a general, informational context. [95] This gap contrasts with the generally positive public attitude towards internships, though there remains significant dissatisfaction regarding the working conditions provided by employers. [96]

To understand this disconnect, it is important to note that the Labor Inspectorate has been intensifying its focus on studying internship-related issues. [97] However, the absence of a comprehensive framework addressing internships is still evident. For example, a response to the Public Defender of Georgia's letter (No. 5129/22) dated May 3, 2022, reveals that the

Labor Inspectorate has not fully embraced the Public Defender's recommendation to develop a joint agenda for evaluating equality and fair treatment in the workplace, including internships. [98]

The Public Defender's office has repeatedly emphasized that, despite the legislative regulation of internships, there is still a risk of conflicting national standards. These issues have remained largely unresolved despite the legislative progress and the current internship regulations, while seen as crucial for the professional development of young people, are economically and socially insufficient. This leaves interns in a vulnerable position, as the financial burden of unpaid internships often forces them to terminate their contracts early. As a result, opportunities for professional growth become harder to access and the rights of interns are frequently violated, especially when they are unable to continue internships due to financial limitations.[99]

Based on the response to the appeal letter submitted to the Department of Labor Conditions Inspection of the Ministry of Labor, Health and Social Protection of Internally Displaced Persons from the Occupied Territories of Georgia, [100] it is evident that in each specific case, the Labor Inspection Service investigates whether one or more individuals are undergoing internships at the inspected organization. Accordingly, it assesses the legality of the relationship between the employer and the intern.

The information also reveals that, out of 400 facilities inspected over the past two years, the Labor Inspection Service identified violations of Article 18, Paragraph 4 of the Labor Code of Georgia in only four cases. In each of these cases, the authorized body issued a warning as a form of administrative liability, following a request to regulate the employer-intern relationship through a formal contract.

Notably, between January 1, 2021 and April 1, 2022, only one type of violation pertaining to Article 18, Paragraph 4 of the Labor Code was recorded. This article requires that the tasks assigned to an intern be clearly and thoroughly described.

At present, the role of the Labor Inspection Service in ensuring the protection of interns' rights is especially critical, given the lack of other effective mechanisms to address existing issues. Therefore, within the scope of its current authority and resources, the Labor Inspection Service should develop targeted actions to enforce the various provisions of Article 18 of the Labor Code, with particular attention to the rights and protections of interns.

### 7. De lege ferenda - Recommendations for Improving Legislative Guarantees and the **Organization of Internships**

### 7.1. Universal, Minimum and Reasonable Compensation for Internships

Performing work without remuneration for the purpose of improving qualifications or gaining professional experience can hinder the intern's ability to achieve the internship's goals. Internships often occur alongside labor and employment agreements for a trial period in the same workspace, placing the intern in similar conditions to regular employees, but without the financial resources to focus fully on the internship's objectives. The lack of remuneration in internships limits their effectiveness by reducing the employer's incentive to create an environment conducive to the intern's development. To address this, the first recommendation is to establish a universal, minimal and reasonable compensation for interns. This would involve abolishing unpaid internships and regulating internships in a paid format, alongside a review of their frequency and duration.

#### 7.2. Recognition of Internships as Work Experience

It is advisable to recognize internships as work experience, which would enhance their purpose and allow for greater repeatability across different organizations. To manage potential risks, organizations should regulate internship control and evaluation appropriately. The role of the labor inspectorate is crucial not only in ensuring the protection of interns' rights but also in monitoring the actual implementation of internships. By treating internships as work experience, we can improve both the form and content of these relationships. While this can be regulated in practice, it is essential to develop clear and stable definitions of control and evaluation. This ensures that the accumulation of work experience through internships does not negatively impact the overall qualification standards in the labor market.

### 7.3. Advancing the Employment Goal of Internships

Under the current regulations, employment is not

the primary objective of internships. It would be beneficial to make employment a component of the internship's goal, as outlined in the Law of Georgia "On Employment." The possibility that an individual may continuously perform work as an intern for various employers without the prospect of eventual employment is more detrimental than developmental for the individual, particularly in the context of Georgia. The issue lies in the first paragraph of Article 18 of the Labor Code of Georgia, which does not clearly provide for any minimum opportunity for employment. While an intern may perform work for an employer, with or without remuneration, this does not create any obligation for the employer to offer an employment contract. Therefore, incorporating the promotion of employment as a goal within the first paragraph of Article 18 is a necessary step for future legislative development.

### 7.4. Development of Guarantees for the Socio-Economic Rights of Interns

Since the legislator deemed it necessary to regulate the legal status of an intern in the labor market, this regulation should not be based merely on a formal framework. A gap exists where the socio-economic rights and other fundamental issues are not directly addressed. If the legislator does not find it appropriate to establish guarantees for the socio-economic rights of an intern within Article 18 of the Labor Code of Georgia, it would be reasonable to introduce norms with similar content elsewhere in the Labor Code, specifically in a section like Article 18, paragraph 5. The development of guarantees for the socio-economic rights of an intern would ensure that the legal status of the intern is fully recognized by the parties involved in the internship agreement. This would facilitate the proper implementation of the internship's objectives, ensuring that the tasks performed align with the intended purpose of the internship.

### 7.5. Ensuring Predictability in Internship Termination Norms

The second sentence of paragraph 5 of Article 18 of the Labor Code of Georgia is very strict regarding the termination of an internship contract. This formulation is similar to the provisions for labor contracts concluded during a trial period, allowing for the termination of an internship at any time without a clear and substantiated reason. It is essential to align the foreseeability of this norm with the legal basis that defines the limits on actions taken by the parties when terminating an internship. It would be beneficial to clarify the distinction between normative and contractual grounds for terminating an internship. A clearer formulation is needed to answer the key question: is it permissible to terminate an internship contract at any time? To properly address this, it is crucial to establish the specific conditions and grounds for termination, taking into account the unique nature of internships. For example, is it reasonable to terminate an internship early in order to offer an employment contract, or to unjustifiably dismiss an intern without valid grounds?

#### Conclusion

Following the amendments to the Labor Code of Georgia on September 29, 2020, the legal status of an intern and internship was regulated under Article 18, though no specific definition of "internship" was provided. The regulation, however, applies specifically to "open market internships" in the labor market, with certain exceptions and its primary aim is to align with the obligations under the Association Agreement. To this day, there are differing opinions regarding the necessity of legal regulation for internships in the labor market. Research highlights the need for amendments to Article 18 of the Labor Code, as the current regulation, though formally admissible, fails to ensure effective oversight and protection of interns' rights. The analysis across the seven chapters leads to several key recommendations aimed at strengthening the legal and institutional framework governing internships in Georgia.

Recognize the Strategic Importance of Internships:

Internships play a central role in career development and access to employment. Policymakers should acknowledge internships as a vital mechanism for gaining professional experience and facilitating entry into the labor market and ensure that legislation reflects this importance.

Clarify the Legal Criteria for Internships:

The current criteria under Article 18 of the Labor Code do not fully capture the nature of internships or differentiate them from other related legal forms. A clearer and more coherent definition is needed to ensure legal certainty and prevent inconsistent application.

Regulate Termination Procedures:

The absence of detailed rules on terminating internship agreements creates uncertainty and exposes interns to rights violations. The law should introduce specific termination procedures that balance organizational flexibility with the intern's legal protections.

Differentiate Internships from Employment and Trial Employment Agreements:

Given the risk that internships may be used to disguise employment relationships, preventive safeguards are needed. The development and adoption of clear classifiers would help distinguish internships from employment contracts and trial period agreements, ensuring proper protection for interns.

Improve Judicial Data and Transparency:

The lack of systematic judicial data concerning disputes under Article 18 limits the ability to assess practical challenges. Courts, particularly the Tbilisi City Court, should maintain and publish statistics on internship-related cases to support evidence-based reforms.

Strengthen the Role of the Labor Inspectorate:

In the absence of sufficient judicial practice, the Labor Inspectorate has a crucial role in monitoring compliance and identifying violations affecting interns. The inspectorate should proactively collect, analyze and publish data on internship practices.

*Legislative Improvements (De lege ferenda):* 

Targeted legislative amendments are necessary to reduce the risk of misclassifying employment as internships and to strengthen the legal guarantees available to interns. Reforms should aim to enhance transparency, legal predictability and the overall protection of interns' rights. The legal nature of internships and their distinction from labor and employment agreements for a trial period in Georgian law require comprehensive scientific research and legislative development. The legislator has not sufficiently addressed key issues regarding the status of interns, leaving them in a "weaker party" position compared to employees. This gap calls for urgent reform to ensure better protection for interns and more effective regulation of internships.

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