



საერთაშორისო გამჭვირვალობა - საქართველო
TRANSPARENCY INTERNATIONAL GEORGIA

WORK CARD

This is Transparency International Georgia's 2012 Autumn Work Card on Georgia. It gives a summary assessment of the key areas in the country that are of crucial importance to the development of a transparent, accountable and democratic state. The Work Card will be published quarterly, covering different issues that are crucial for that specific period.

The assessments are followed by concrete recommendations for improvements. They are in no way meant to be exhaustive, but provide a brief overview of areas in need of further attention.

Please direct questions to nana@transparency.ge

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The New Government's Commitments And Our Recommendations

"With the October 1 Parliamentary Election, the Georgian people displayed their clear will for radical reforms to happen in the country" reads the first paragraph of the new government program, entitled [For a Strong, Democratic, United Georgia](#). Since assuming their offices, the new Prime-Minister and cabinet members have pledged to introduce changes in all major policy areas. The priorities of the new government program are listed below.

De-politicization. Ivanishvili's government has declared that it will completely remove politics from the public service and remove political interference from the interior, defense, justice and education ministries, as well as regulatory bodies such as the Georgian National Communication Commission (GNCC), State Audit Service and Prosecutor's Office.

Checks and balances. According to the program, a new government model will be chosen for Georgia as a result of consultation with the public. This will be a model where the power of different bodies will be more balanced, with a multi-party political environment guaranteed. This will include changes in party financing rules. Parliamentary control over the Prosecutor's Office and State Audit Service is planned to increase, while the Ministry of Defense will make regular reports to the Parliament.

Media. The Government intends to achieve transparency in the disclosure of funding sources of media outlets, "de-monopolize" the advertising market, de-politicize the Public Broadcaster and adopt must-carry/must-offer regulations.

Competition. According to the program, competition legislation will be amended, and a functional anti-monopoly agency, separate from the procurement agency, will be established. Dismantling monopolies and combating "elite corruption" is a priority. the PM has announced that minimal interference of the state in business will be guaranteed, and that no donations will be accepted from businesses.

Justice. Priorities for reforming the justice system include: ensuring more constitutional control, institutional independence and de-politicization of the court system, reviewing the jury institute and plea bargaining and restricting prosecutors from pressuring judges. The creation of a working group to cooperate with NGOs and experts has been promised.

Interior ministry. Planned structural reforms include decoupling the security service from the ministry: the Special Operative Department (SOD) and the Constitutional Security Department (CSD) will be abolished and the functions of these agencies will be distributed to other branches of the ministry, Criminal Police, the counter-intelligence unit and a new "strong anti-corruption agency" that is yet to be established. Also, the State Security Service, an agency separate from the Interior Ministry, will be established, which will be in charge of intelligence gathering and analysis; it will have no right to pursue criminal charges.

Decentralization. Local governments will have elected representatives and executive bodies; they will have their own, increased budgets and property at their disposal, including non-privatized agricultural and non-agricultural lands.

Social reforms and assistance. Priorities include: elaborating a new, more effective labor code, establishing a minimum subsistence level, increasing and expanding the social assistance program to more vulnerable citizens and achieving lower tariffs on utilities. PM Ivanishvili has announced that, if state funds are insufficient, he will use his own money to carry out these promises.

Taxes. According to the initiative, a minimum tax threshold will be established which will be no less than the minimum subsistence level. At the same time, income tax will be kept at 20%. The Ministry of Finance is committed to creating a stable tax environment that will not allow frequent changes in the the tax regime. There will be a review of the list of products to which excise tax is currently applied.

Energy. Construction of all small and medium sized hydroelectric plants will resume. However, building of larger plants might be reconsidered. Consultations with respective companies will be held regarding adjusting energy, gas and oil tariffs.

Penitentiary. A large-scale amnesty is planned as well as the implementation of an effective mechanism for releasing prisoners in shorter times in the near future.

Healthcare. A universal insurance system is planned, and minimal salaries of medical staff of each specialty will be defined.

Agriculture. With the help of donors, foreign grants and loans, as well as investments, a one-billion dollar fund for the development of the agriculture sector will be set up. Assisting small farm owners will be a priority.

Foreign affairs. Euro-Atlantic integration remains a priority, while working on the improvement of relations with Russia through economic and cultural relations.

TI Georgia puts forward its recommendations for the new government, which should be of the highest priority.

Strong Anti-Corruption System

- The Parliament and the Government should consider creating an independent anti-corruption agency, with its own staff and budget. This body must be independent from the ministries and other agencies of the executive branch and be accountable to the Parliament and the public. The agency should combine corruption prevention, investigation and public communication functions.
- Strengthen the public service political neutrality and independence protection mechanisms, perhaps by increasing the powers of the Civil Service Bureau.
- Ensure the political impartiality of the State Audit Office. It is recommended that the management of the Office be adequately qualified and politically neutral. The internal audit bodies must also be well-running and sufficiently independent from the management of the relevant agencies.

- Ensure the political neutrality and independence of the prosecution, which could be implemented by adequate separation of the prosecution from the political component of the Justice Ministry.
- Strengthen the existing mechanisms for the protection of whistleblowers in order to prevent corruption in the public service. It is also desirable to extend the safeguards for whistleblowers to private companies that dispose budgetary funds
- Establish procedures and mechanisms to ensure the adequate separation of political and commercial interests. In this respect, provisions regulating further employment of the officials in the private sector after they leave public service need to be improved.
- Enhance the capacity of the Competition and Public Procurement Agency and ensure its independence, transparency, and accountability.
- Augment the list of officials in the law on 'Conflict of Interests and Corruption in the Public Service', supplementing it with persons who are required to file property declarations. Set up a mechanism for verification of the information submitted by officials.
- Extend the requirements of the 'Law on the Public Procurement' to funds set up by state agencies managing budget resources.

Fair Electoral System

- Start discussions on the possibility of electing self-governing city mayors.
- Equalize the boundaries of the existing electoral districts with respect to the size of the electorate.
- Increase the 30% threshold established for majoritarian candidates to 50%.
- Extend the ban on the use of administrative resources for partisan purposes to cover the non-election period.
- Reduce the list of political officials allowed to campaign, restricting it to elected officials only.
- Impose a complete ban on the use of any resources available to state bodies, legal entities created with state participation or state-funded individuals in favor of a campaigning person.
- Continue developing the voter lists by every means. We think that the Civil Registry Agency should begin improving the electoral rolls jointly with the Election Administration. An overall population census has to be conducted.
- Revise the law on Political Unions of Citizens. In particular, attention should be paid to improving the party funding regulations so as to protect the constitutional rights of expression and political activity.

Pluralistic Media Environment

- It is necessary to incorporate permanent must-carry/must-offer regulations into the Law on Broadcasting.
- Georgia should carry out its international obligations and move to digital broadcasting in the first half of 2015. In connection with the transition to digital broadcasting, an interagency working group should be created including experts and interested parties.
- The National Communications Commission should post information on its web site regularly and proactively regarding the financial incomes of broadcasters. The above information must be provided in an easily readable format.
- The Public Broadcaster Board election procedure should be reviewed. It is desirable to reduce the number of its members.

- Public officials should not hold shares either directly or indirectly in media outlets, or the institutions that are associated with the media industry. High-ranking public officials should either dissolve media outlets owned by them, or find ways to dispose of their assets in them, so that they are not in control of media outlets.
- Antitrust laws and standards should be applied to advertising agencies as well as electronic communications operators.
- The government should consider the introduction of a new Media Ombudsman position (within the Public Defender's Office), which will be responsible for monitoring and protecting media freedom in Georgia.

An Impartial Judicial System

- Too much power, including major tools of administration, are concentrated in one particular agency: the High Council of Justice. Hence, our recommendation is to separate the issue of the evaluation and promotion of judges from the Supreme Council of Justice, and to create a Disciplinary Board – a body independent from the High Council of Justice – that would consider and decide on the disciplinary issues concerning judges.
- Restrictions on political activity should be applied to the members of the High Council of Justice as well as non-judge members of the disciplinary board. For this purpose, the parliament's right to select candidates from within its members should also be restricted;
- Dissemination of photo, film, and video material should be banned in jury trials until a final decision is made.

Safeguarding Property Rights and Restoring/Compensating Seized Property

- A special commission staffed with specialists and/or representatives of organizations enjoying high public trust should be created to study cases of property rights violations.
- Mechanisms of restoration of the property of victims or compensation should be defined.
- Owners should be ensured that they are automatically informed of public registry system errors and / or registration data changes that may affect their property rights.
- Rules and procedures for traditional (lawfully) owned property registration should be simplified, especially in mountainous regions, where ownership has for many years been regulated by customs and traditions.
- Accommodation rules and procedures should be worked out and regulated through the legislative procedure. Also, mechanisms for appropriate compensation should be established.