

Government Ordinance #377

12 September 2005

Tbilisi

**on the approval of
Georgia's National Anti-Corruption Strategy Implementation Action
Plan**

1. Attached Georgia's National Anti-Corruption Strategy Implementation Action Plan shall be approved.
2. The ministries shall ensure adoption of internal anti-corruption action plans for their internal structures, as well as for their spheres of influence before 30 September 2005. They shall report to the government on the progress in implementing Georgia's National Anti-Corruption Strategy Implementation Action Plan on a monthly basis.
3. State Minister for Reform Coordination Kakha Bendukidze shall oversee the implementation of Georgia's National Anti-Corruption Strategy Implementation Action Plan.
4. This ordinance shall enter in force on the day of its signing.

Prime Minister

Zurab Noghaideli

Approved
by the Georgian Government
12 September 2005
Ordinance #377

ANTI-CORRUPTION STRATEGY ACTION PLAN

(2005 - 2006)

Increasing Efficiency of Anti-Corruption Activities

1. Improving Anti-Corruption Legislation

Identify concrete corruption practices; perform critical analysis; develop corresponding legislation

Institutionalize legislative analysis and normative bases that are important to reducing corruption.

Criminalize acts that are considered crimes of corruption by international standards.

Establish a standard methodology for measuring corruption.

2. Developing a Special Anti-Corruption Oversight System for Monitoring High Officials

Form a special unit within Georgia's General Prosecutor's office, focusing on corruption crimes committed by high officials.

Form a special unit within Georgia's Interior Ministry, focusing on corruption crimes committed by high officials.

Develop effective mechanisms for monitoring civil servants for corruption.

Reform current legislation to ensure accurate accounting of property in declarations; set new rules and timeframes for filling out declarations for civil servants at various levels, both while at their posts and after leaving these posts. Also, declarations should include information about the property not only of civil servants, but also of their family members, relatives and other related individuals.

Draft a law on General Inspections and submit it to the Parliament in order to strengthen efficiency of general inspections and promote their effectiveness.

3. Reducing and Optimizing Regulatory and Oversight Functions of the State; Reducing Administrative Barriers in order to Reduce Corruption

Draft a law to differentiate authorities of controlling bodies and set unified rules for inspecting entrepreneurs and regulating inspections

Adopt legislation regulating licensing in order to ensure full implementation of the Law on Licensing and Permissions in order to help improve the business environment.

Develop and adopt simplified rules for companies involved in food production; develop a new system for state oversight of food and pharmaceutical products.

Prepare legislation in order to ensure (self) regulation of professional activities.

Implement current legislation, strengthen institutions and carry out institutional changes in order to bolster technical regulations and improve business environment.

Activate mechanisms and carry out necessary institutional changes in order to ensure state neutrality in terms of granting privileges and preferences to specific entrepreneurs.

Ensure transparency of owners of important commercial organizations and companies participating in large public tenders.

Transform secondary schools into legal entities and set up oversight boards in order to reduce corruption opportunities.

4. Speeding Up the Privatization of State Property and Enterprises; Ensuring Maximum Transparency of this Process, so that State Ownership Is Maintained Only Where It Is Necessary to Carry Out State Functions.

Ensure transparency of the privatization process.

Privatize the major part of large enterprises and property currently in state ownership.

Privatize the major part of energy distribution and energy generation.

Privatize of state-owned agricultural lands.

**Strengthening Mechanisms for Fighting Against
Corruption**

5. Judiciary Reform

Create a system for motivating judges and employees of the judiciary apparatus.

Define an optimal number of judges and select qualified personnel.

Ensure transparency of the courts and of their interaction with citizens.

Develop optimal mechanisms for distributing cases in courts.

Introduce a jury system.

Create a witness protection system.

6. Reforming Law Enforcement Institutions

Set up a Prosecutor's Council as an independent body in order to ensure effective management of the General Prosecutor's Office and allow for its participation in the appointments and disciplinary inspections of prosecutors.

Ensure a clear distribution of functions between financial police and other law enforcement institutions in order to eradicate redundancy.

Ensure organizational independence of organizations and departments involved in detecting and investigating corruption, as well as formulating anti-corruption policy and implementing the anti-corruption action plan.

Develop codes of conduct and instructions adhering to international standards for employees of law enforcement institutions.

7. Structural, Personnel and Administrative Optimization of Public Entities: Improving Human Resource Management.

Ensure that each ministry presents anti-corruption action plans for the ministry and their jurisdictions.

Prepare a civil service reform strategy and action plan.

Separate the policy-making function from other functions in the civil service and ensure its structural separation.

Establish a clear distribution of functions in order to set up a management system divided into policy-making and policy implementation -- taking into account concrete examples from pilot ministries.

Establish a clear definition of independent, state independent, and independent governmental institutions, formalize their functions and roles (including optimization of the system of legal entities of public law and the system of national regulatory bodies).

Develop official and unified (to the extent possible) job descriptions for entities providing public services; improve the system for increasing qualifications; promote the culture of interacting with citizens.

Render more efficient entities providing public service through the improvement of structural and financial efficiency and the eradication of redundancy.

Define general structural sub-divisions and different positions for the entities providing public services; delineate functions for various positions and prepare descriptions aimed at fostering understanding of functions.

Improve and institutionalize policy formulation and strategic planning.

Improve competition rules in civil service; develop objective and transparent rules for personnel selection and evaluation; create a database for personnel management.

Simplify the competition rules in civil service; define factors and mechanisms for selecting and evaluating work effectiveness of civil servants.

Create a civil servant databank and revise it cyclically; establish mechanisms for updating the databank with the information on civil servants' functions and obligations and their professional characteristics in central government, as well as in local self-government bodies.

Establish the creation of information bureaus within ministries and local self-government bodies, where interested individuals (especially small and medium business representatives) will be able to receive accurate public information in a timely manner.

Improve and institutionalize development of government's medium term action strategy and resource management.

Develop and review main objectives and directions and integrate this process in developing a BDD document.

Ensure financing of state strategic priorities and increase efficiency through the establishment of MTEF planning process (annually).

8. Improving Internal and External Auditing and Financial Accounting of State Institutions

Develop auditing standards for civil sector in order to strengthen controlling procedures, informed by the experiences of INTOSAI (International Organization of Supreme Audit Institutions).

Establish GFMS 2001 methodology.

Improve the system for assessing efficiency of budgetary expenses.

9. Improving State Procurement Process and Mechanisms

Prepare changes to the law on State Procurement in order to define new status and principles for the procurement agency.

Prepare a state procurement manual in order to increase awareness of procuring organizations.

Develop “black lists” in order to compare and analyze procurements carried out by procuring organizations.

Rationalize procurement list of secret procurement.

10. Further Improvement of Tax Administration, Improving Treasury Service Reporting

Analyze tax legislation, developing a full list of its pitfalls and work toward addressing them.

Develop a tax payer databank addressing which tax payments are controlled by the chiefs of tax inspectors; all non-standard changes shall be registered in writing and explained.

Prepare a new Customs’ Code in order to increase access to information and transparency with regards to the customs’ procedures.

Improve an enterprise registration system (to be addressed by the tax office).

Establish a unified system for treasury service reporting; establish treasury service principles in Tbilisi and in other big cities.

Establish an integrated system corresponding with international standards for municipality budgets and financial reporting.

11. Reforming Political Party Financing

Discuss and submit to the Parliament the draft laws prepared by the Monitoring Group on political party and election campaign financing.

12. Strengthening Ombudsman's Institute

Set up a specialized Ombudsman's Institute.

Prepare a draft law in order to strengthen the ombudsman's authority.

13. Transferring to Targeted Social Protection

14. Supporting Media Development

Develop a plan for the protection of journalists in accordance with anti-corruption principles in order to achieve media independence and eradicate bias; increase cooperation between state structures and mass media, promote journalists' professional development.

Develop mechanisms for eradicating direct and covert subsidizing of mass media.

I n t e r n a t i o n a l A l e r t

15. Implementation Recommendations of International Organizations

Cooperate actively with GRECO in order to ensure implementation of 25 GRECO recommendations for Georgia developed at 2001 GRECO plenary sessions.

Cooperate actively with the representatives of OECD ACN in order to ensure implementation of 21 recommendations for Georgia developed at 18 January 2004 ACN session.

16. Ratifying International Conventions

Carry out necessary measures in order to join the UN Convention Against Corruption.

Ratify Council of Europe Criminal Law Convention on Corruption adopted on 29 January of 1999.

Join and ratify the Addendum to the 15 May 2003 Criminal Law Convention on Corruption adopted by the Council of Europe.

17. Recognizing and Establishing the Principles of Extractive Industry Transparency Initiative (EITI)

18. Consolidation of WB PIUs and their Further Integration into Governmental Structures.