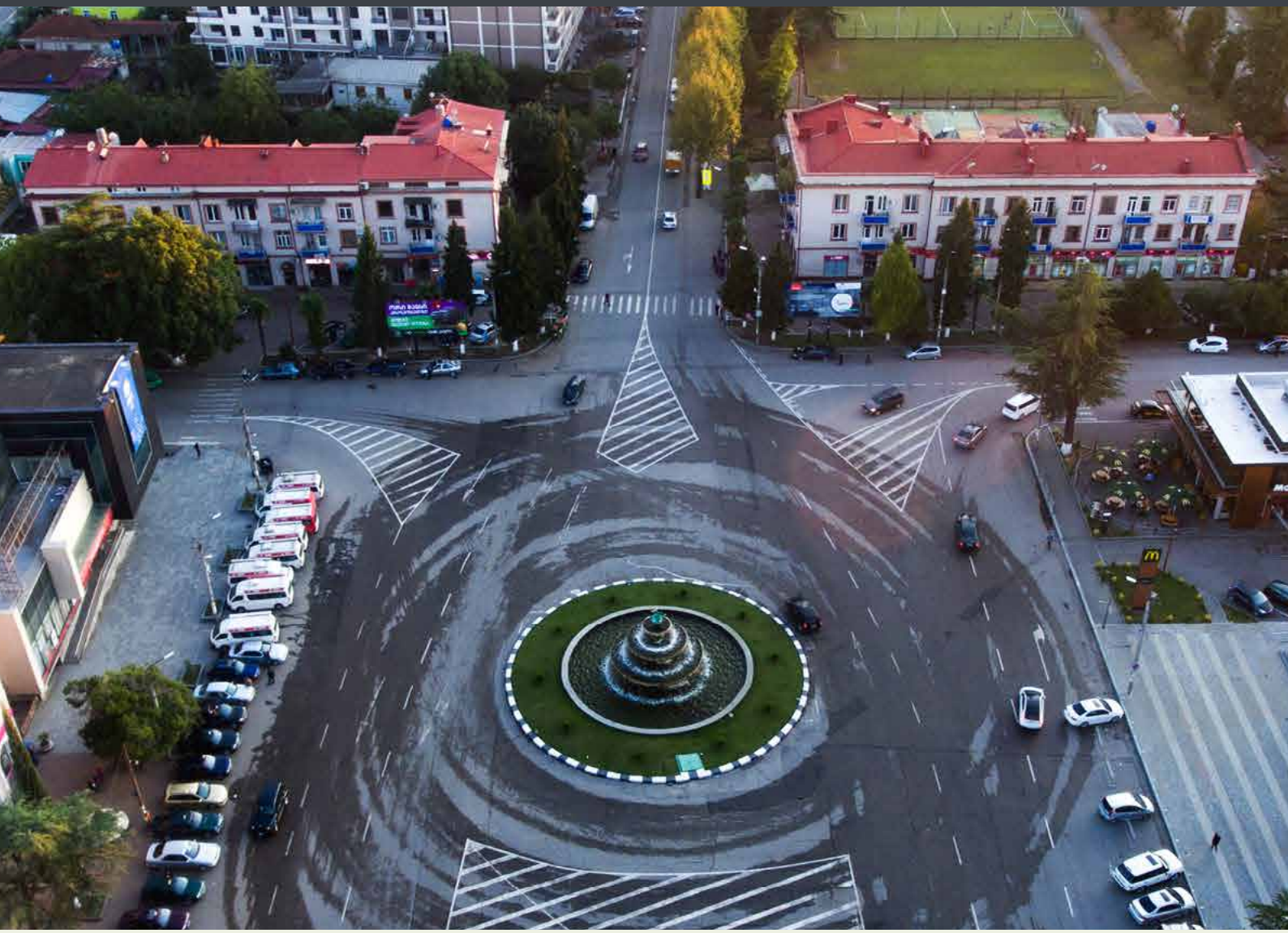
TRANSPARENCY INTERNATIONAL GEORGIA



EVALUATION OF THE PERFORMANCE OF THE ZUGDIDI CITY COUNCIL IN 2023

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INTRODUCTION:

Transparency International Georgia has evaluated the performance of the City Council of Zugdidi (hereinafter referred to as the Zugdidi City Council) in 2023.

This report is based on information that we requested from the City Council, the data available on the City Council's official webpage, and our organization's observations.

The reporting period is 2023.

Transparency International Georgia has already evaluated the performance of Zugdidi City Council three times: the first evaluation covered the period from November 2017 through 2019; the second study assessed the performance in 2020; and the third evaluation covered 2022.

CHAPTER 1. MAIN FINDINGS

- The reporting period has seen some improvements in the Zugdidi City Council's performance of its oversight function over the work of the City Hall and legal entities, largely due to the fact that the opposition political parties constitute the majority in the City Council while the Georgian Dream is in the minority;

- The failure of the City Council to identify conflicts of interest or any other irregularities in the public procurement process is worrisome, despite the fact that individual City Council deputies have openly discussed the issue;

- The amendments to the Self-Government Code initiated by the ruling party have significantly diminished the role of the City Council. The most problematic among them are the amendments introduced in December 2022, which stipulate that a failure to approve the budget within three months after the beginning of the budget year results in the early termination of the powers of the City Council alone, whereas under the previous version of the Code, this would have resulted in the early termination of the powers of both the mayor and the City Council;

- The mayor of Zugdidi municipality did not present a report on the work for 2023 to the City Council; the reports were presented by the municipal services, eight of which were positively assessed by the City Council's commissions, whereas the report of the Supervision Service was negatively assessed by the City Council's Commission on Economics, Urban Development, and Property Management;

- Having heard the reports of Zugdidi municipal services and legal entities established by the municipality, the City Council formulated conclusions and recommendations on the performance of municipal services and legal entities, which were approved by a decree of the Bureau of the City Council;

- The Zugdidi City Council held **21** sessions, of which **nine** were extraordinary;

- The Zugdidi City Council adopted **57** resolutions, of which **46** were authored/initiated by the Zugdidi City Hall, and the remaining **11** resolutions by the City Council;

- The Zugdidi City Council did not approve the report on budget execution for 2022;

- Out of **45** members in the Council Zugdidi municipality, only **one**, Irakli Gogokhia, filled in his asset declaration with irregularities;

- As in the previous year, the factions in the City Council worked intensively: in 2023, a total of **27** written initiatives were submitted; in some cases, they demanded the solution of several issues with one initiative;

- Total expenditures for the activities of the factions amounted to **GEL 432,025**, of which **GEL 403,228** went to salaries;

- Of the **14** female members of the City Council, **seven** hold positions, including three as commission chairpersons, one as the faction chairperson, and three as deputy faction chairpersons;

- Like in 2022, in 2023, the Gender Equality Council did not analyze legal acts or carry out an expert review of draft legislation. Nor did it introduce the system of monitoring and evaluation of measures implemented to ensure gender equality;

- During the reporting period, **210** absences from council sessions were recorded, including **163** without valid reasons; council members also did not attend commission sittings. A total of **558** cases of absence were recorded, including **466** without good reasons;

- Mamuka Kurashvili from the Georgian Dream-Democratic Georgia faction missed the council sessions without a valid reason most often (**11** sessions). As for the sittings of commissions, the leader by the number of absences was Joni Jikia, the deputy chairperson of Georgian Dream-Democratic Georgia, (**39** sessions);

- **Eleven** out of **45** members of the Zugdidi City Council did not use their right to speak or make a report;

- In 2023, a total of **GEL 1,917,257** was spent on the activities of the Zugdidi City Council, up by **GEL 615,027** compared to a corresponding figure for 2022. Of the mentioned amount, **GEL 1,632,883** was spent on salaries, including GEL 63,976 given to the staff of the City Council office as bonuses;

- In 2023, **GEL 186,714** was spent on reimbursement of council member expenses, **GEL 89,892** was spent on fuel, **GEL 4,748** on telephone communication, and **GEL 3,020** on business trips;

- The fuel limit for the Chairperson of the City Council was lowered from 700 to 400 liters, and for deputy chairpersons from 400 to 350 liters;

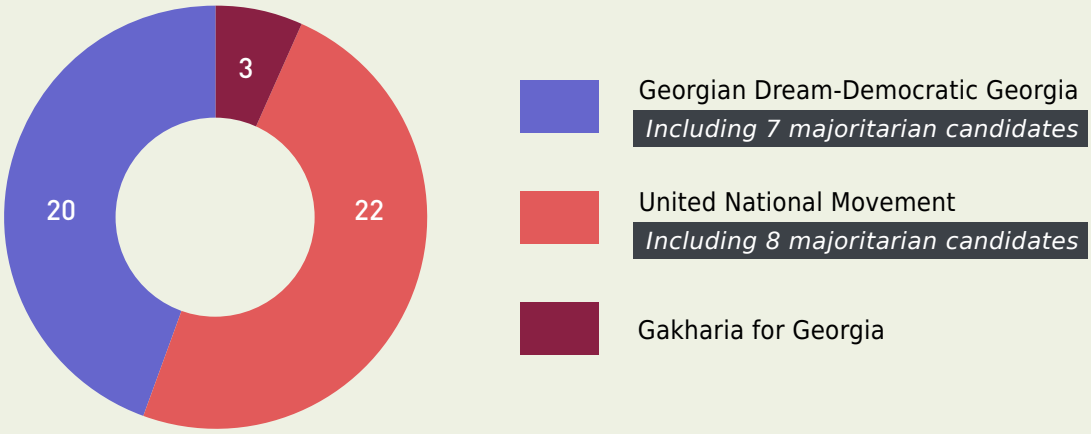
- In 2023, the Zugdidi City Council spent **33.9 tons** of fuel worth **GEL 89,892**. Among the council members, the largest amount of fuel, **4,170 liters**, was spent by Chairperson of the City Council Giga Parulava, and among the faction members, the largest amount of fuel, **1,759** liters, was spent by the Chairperson of Georgian Dream-Democratic Georgia, Irakli Gogokhia;

- Since June 2022, based on a decision of the City Council, the members of the Council are no longer reimbursed for telephone expenses.

CHAPTER 2. GENERAL INFORMATION ABOUT THE ZUGDIDI CITY COUNCIL

The Zugdidi City Council has **45** deputies, of which **15** are elected in single-mandate majoritarian electoral districts and **30** are elected proportionally. The Zugdidi City Council is one of those representative bodies where no political party managed to obtain a clear majority in the 2021 local elections.

Distribution of mandates in the Zugdidi City Council



Of the 45 council members, **14** are women, which is **31.1** percent of the total. Out of the 14 female city council members, seven hold positions, including three as commission chairpersons, one as chairperson of a faction, and three A deputy faction chairpersons.

The following commissions were established in the Zugdidi City Council for the term of the current council:

1. Commission on Legal Issues, Mandate, and Human Rights Protection (chaired by Bela Mosia)
2. Commission on Finance and Budget (chaired by Besik Gabunia)
3. Healthcare and Social Affairs Commission (chaired by Maia Gatserelia)
4. Commission on Education, Culture, Sports, Youth, and Gender Issues (chaired by Mariam Akhalaia)
5. Commission on Economics, Urban Development, and Property Management (chaired by Giorgi Sordia)

As of 2023, of the 45 members of the Zugdidi City Council, **24** hold office, and the remaining members exercise their powers on a non-remunerated basis in accordance with the law. Detailed information on the officers is provided in the table:

General statistics:

During the reporting period, the Zugdidi City Council held **21** sessions, **nine** of which were extraordinary sessions convened by the Mayor of the municipality.

During the reporting period, the Zugdidi City Council adopted **57** resolutions, of which **46** were initiated by the Mayor's Office and the remaining **11** by the City Council.

The supervisory body prepared **two** opinions/comments on legal acts adopted by the Zugdidi City Council, all of which were approved by the City Council.

During the reporting period, **two** petitions were registered, on which the City Council has not yet taken a decision.

Free transfer of property to the state:

- On March 7, 2023, a 787 m^2 land plot on Aghmashenebeli Avenue in Zugdidi was transferred free of charge to the state for subsequent transfer to the Patriarchate of Georgia;

- On October 6, 2023, a 383 m^2 land plot in the village of Anaklia was transferred to the state free of charge for subsequent direct sale at a symbolic price of GEL 1 (one lari) to the non-entrepreneurial (non-commercial) legal entity Georgian Medical Holding for the construction of an outpatient clinic on this plot;

- On December 1, 2023, a plot of non-agricultural land with an area of 2565,00 m^2 in the village of Chitatskaro was transferred free of charge to the state for subsequent transfer to the Georgian Ministry of Internal Affairs with the right of indefinite use.

The existing practice of transferring municipal property to the state is not without its unfair sides. Local self-government bodies should independently, without the involvement of the central government, dispose of property on their territory.

The City Council adopted important documents:

- In 2023, **the Zugdidi City Council** adopted the "Rule for the care and population control of domestic animals on the territory of Zugdidi Municipality." According to this rule, Zugdidi City Hall had to establish a legal entity of private law (commercial) specializing in this matter and organize a shelter until June 1, 2025;

- The Zugdidi City Council did not approve the report on the execution of the budget of Zugdidi municipality for 2022;

- After hearing the reports of Zugdidi municipal services and legal entities established by the municipality, the City Council formulated conclusions and recommendations on the performance of municipal services and legal entities, which were approved by the decree of the City Council Bureau.

Changes in the composition of officials:

- On December 28, 2023, the Deputy Chairperson of the United National Movement faction, Lasha Bechvaia, resigned and was replaced by Kahtuna Shamugia.

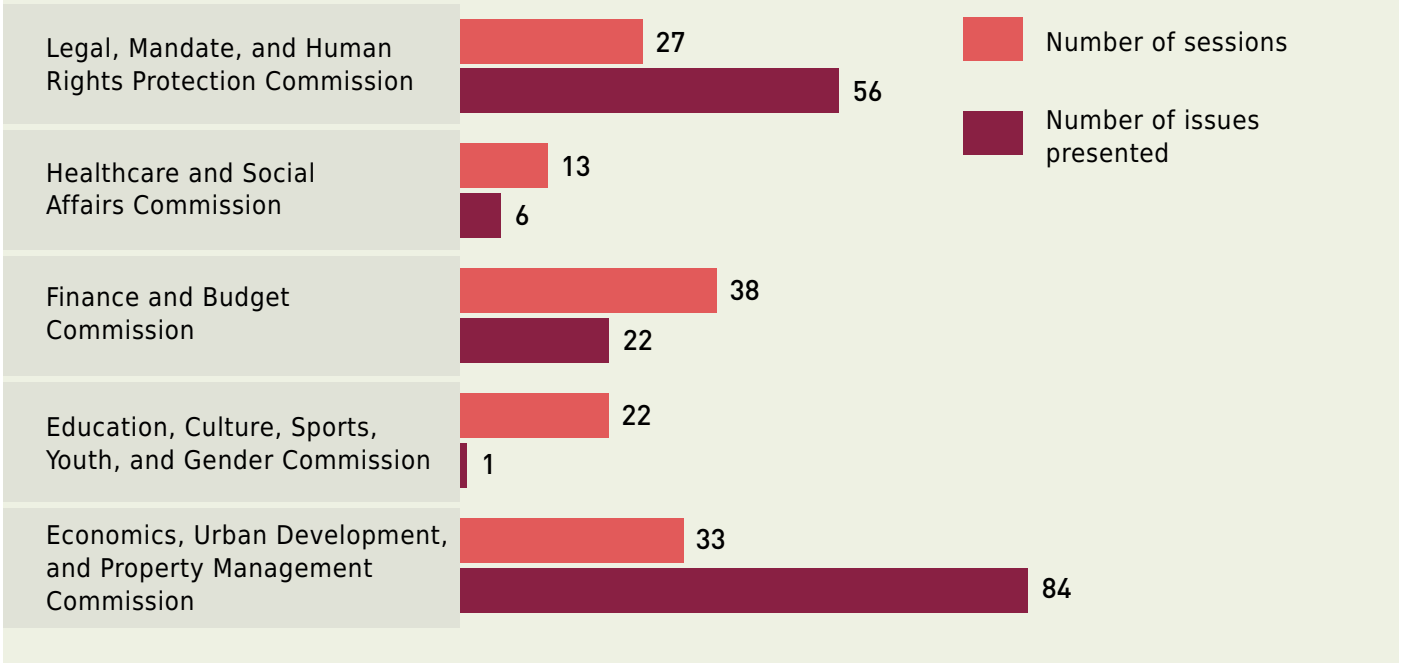
CHAPTER 4. ACTIVITIES OF THE CITY COUNCIL COMMISSIONS AND FACTIONS

Activities of the City Council's commissions:

During the reporting period, the five permanent commissions in the Zugdidi City Council held **133** sessions. **Nine times** the sessions were disrupted due to lack of quorum, while in 2022 only one meeting was disrupted for the same reason.

In 2023, the Council Chairperson submitted two draft legal acts; the Council commissions submitted **169** issues to the City Council for consideration; and the commissions also prepared 167 opinions on the compliance of draft legal acts with the legislation.

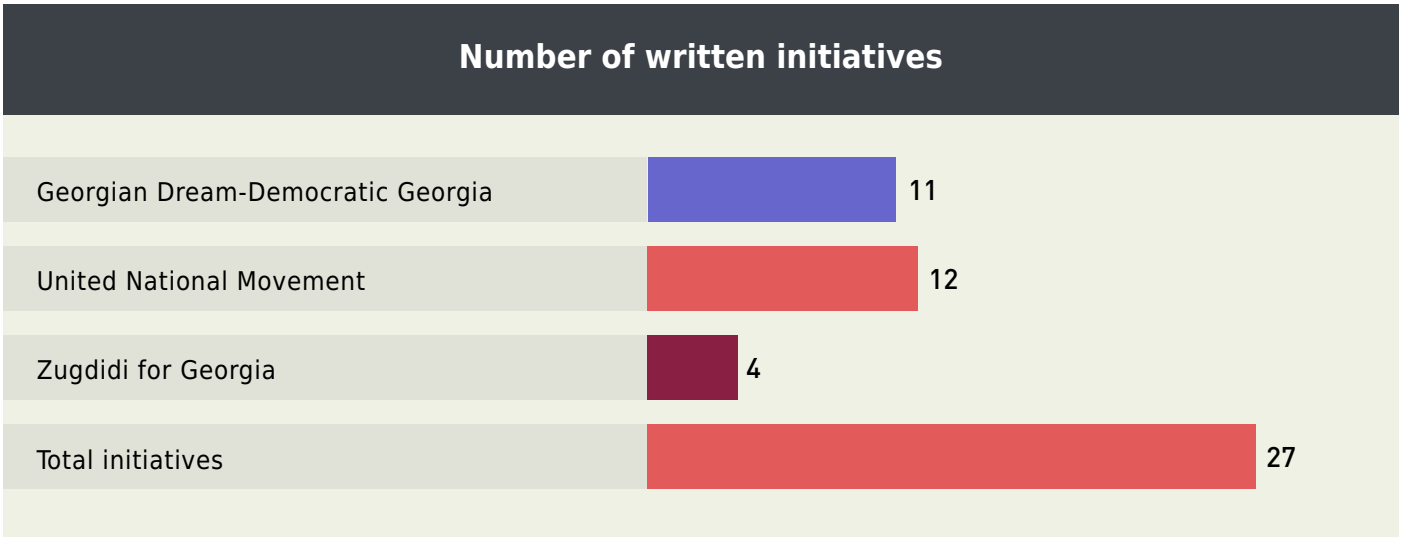
Number of City Council commission sittings and number of issues presented to the Council in 2023



Activities of the factions in the City Council:

There were three factions in the Zugdidi City Council in 2023: United National Movement, Georgian Dream-Democratic Georgia, and Zugdidi for Georgia. The latter has no officers, but all three members of the faction hold various offices in the City Council: Giga Parulava is the Chairperson of the Council, Malkhaz Toria is the Deputy Chairperson, and Bela Mosidze is the Chairperson of the Commission.

In 2023, the factions submitted a total of **27** initiatives in writing:



The issues initiated by the factions can be found at the following link:

The total expenditures for the activities of the factions in 2023 amounted to **GEL 432,025**; the bulk of the expenditures, **GEL 403,228**, were for labor remuneration. Similar to 2022, in 2023, the council factions did not use expenses for telephone communication.

CHAPTER 5. CONTROL OF BODIES ACCOUNTABLE TO THE CITY COUNCIL

In accordance with the Local Self-Government Code, City Council has the right to control the activities of the executive bodies of the municipality and the officials of these bodies, and to hear and evaluate[1] their reports. The mayor is accountable to the City Council and the population.[2]

In 2023, the Zugdidi City Council's oversight over the activities of the City Hall and legal entities established by municipalities has somewhat improved. The City Council, commissions, and factions invited representatives of the Mayor's Office **154 times** to discuss particular issues, which is 30 more cases than in 2020.

In 2023, the City Council's Commission on Economics, Urban Development, and Property Management did not support three issues initiated by the mayor. All three issues concerned the inclusion of three different non-agricultural land plots on the territory of the city of Zugdidi in the list of property intended for privatization.

The Mayor of Zugdidi Municipality did not submit a report on the work of the City Council in 2023; the reports were submitted by municipal services, eight of which were positively assessed by the City Council commissions, whereas the report of the Supervision Service of the Zugdidi City Hall was negatively assessed by the City Council's Commission on Economics, Urban Development, and Property Management.

The City Council did not identify conflicts of interest or any other irregularities in the activities of the City Hall, including in the public procurement process, although two studies conducted by Transparency International Georgia suggest otherwise:

- A study, published in July 2023 found that the companies Road Plus LLC and Building Group 17 LLC, linked to Zaza Antia, a friend and classmate of Zugdidi Mayor Mamuka Tsotseria and Deputy State Representative in the Samegrelo-Zemo Svaneti Region, Davit Kukhaleishvili, have been winning public procurement tenders. Since 2018, the companies have received contracts worth GEL 22,108,948, including GEL 12,129,286 procurement contracts from the Zugdidi Mayor's Office.

- The Zugdidi City Hall procured services needed for the celebration of Zugdidoba on September 17, 2023, for GEL 367,054 through a simplified procurement from Studia 1,2,3 LLC on September 11, i.e., six days before the celebration. Transparency International Georgia believes that a simplified procurement of services excludes competition and carries the risk of corruption.

The commissions and factions of the City Council submitted various recommendations to the Zugdidi Mayor's Office for the development of the 2024 budget, some of which were fully or partially taken into account in the 2024 budget.

1 Sub-paragraph "c.a" of Paragraph 1 of Article 24 of the Local Self-Government Code.

2 Paragraph 2 of Article 48 of the Local Self-Government Code.

CHAPTER 6. INCOMPLETE ASSET DECLARATIONS AND INCOMPATIBLE ACTIVITIES

Of all the officials of the Zugdidi City Council, only one filed an incomplete asset declaration:



Irakli Gogokhia

Chairperson of the Georgian Dream-Democratic Georgia faction in the Zugdidi City Council

In his asset declaration filled out in January 2023, Irakli Gogokhia listed all the companies in which he has stakes: Zugpetroil LLC, Oil Pro LLC, Oil Pro Group LLC, Imedi 2 LLC, Victoria 2012 LLC, and Jipsi LLC. According to the declaration, the shares have been transferred with management rights, however, despite the requirement stipulated by the Law on Combating Corruption, the extracts from the entrepreneurs' registry do not reflect information on the transfer of shares with management rights to another person.

CHAPTER 7. INVOLVEMENT OF CITY COUNCIL MEMBERS IN THE ACTIVITIES OF THE COUNCIL

In 2023, the Rules of Procedure of the Zugdidi City Council defined valid reasons for absence from the sittings of the Council, Bureau, and commissions (illness, business trip, vacation, and birth, death, or illness of a family member). The Rules of Procedure also rely on the provision of the Local Self-Government Code, whereby the powers of a Council member are prematurely terminated if "he/she has not participated, without a valid reason, in the work of the Council of the municipality for six consecutive months."

Participation in sessions of the City Council:

Members of the City Council did not appear at council sessions **210** times, including **163** times without valid reasons.

Mamuka Kurashvili from the Georgian Dream-Democratic Georgia faction missed council sessions most often without a good reason (**11** sessions). Among the leaders in terms of absences from the council sessions are Paata Adamia from the United National movement faction (10 sessions) and Joni Jikia, deputy chairperson of the Georgian Dream-Democratic Georgia faction (eight sessions).

Participation in the sittings of the City Council commissions:

City Council members also did not attend commission sittings. A total of **558** absences were recorded, including **466** without a valid reason.

Joni Jikia, deputy chairperson of the Georgian Dream-Democratic Georgia faction, missed commission sittings most often without a good reason (39 sessions). Among the leaders in terms of absences from the commission sessions are Paata Adamia from the United National Movement faction (33 sessions), Dato Vekua, a deputy chairperson of the same faction (30 sessions), and Sandro Sordia, deputy chairperson of the Georgian Dream-Democratic Georgia faction (30 sessions).

Frequency of speeches and reports at City Council sessions and speeches at Commission sittings

In 2023, out of the 45 members of the Zugdidi City Council, **11** did not exercise their right to make a speech or report.

"Silent deputies" of the City Council during the reporting period were:

- Besiz Chezhia – Deputy Chairperson of the United National Movement faction
- Nikoloz Pipia – member of the Georgian Dream-Democratic Georgia faction
- Mamuka Kurashvili - member of the Georgian Dream-Democratic Georgia faction
- Irakli Janashia - member of the Georgian Dream-Democratic Georgia faction
- Soso Gogokhia – member of the Georgian Dream-Democratic Georgia faction
- Giorgi Pipia – member of the Georgian Dream-Democratic Georgia faction
- Tengiz Jikia – member of the United National Movement faction

- Dariko Arkania – Deputy Chairperson of the United National Movement faction
- Merab Chachua – Deputy Chairperson of the United National Movement faction
- Tamar Chichinadze – member of the United National Movement faction
- Miranda Esebua – member of the United National Movement faction

Detailed information on speeches and reports made at council sessions is presented in the table:

CHAPTER 8. CITIZEN ENGAGEMENT IN THE ACTIVITIES OF THE CITY COUNCIL

The Zugdidi City Council has all the regulations ensuring the involvement of citizens in the activities of the municipality, including the City Council, in place:

- During the reporting period, **two** petitions were registered with the City Council, the decision on which has not yet been made;
- The e-petition system has not been implemented yet;
- As in the previous year, in 2023, the Zugdidi City Council held an open-door session, which was attended by voters and representatives of various organizations who provided the Council with information on challenges faced by particular communities and settlements;
- Jointly with the Mayor’s Office, the City Council holds public discussions on the budget;
- Council members participate in “general meetings of settlements,” in the process of implementation of the Rural Support Program, and meet voters;
- The Zugdidi City Council provides public information in full.

CHAPTER 9. ACTIVITIES OF THE GENDER EQUALITY COUNCIL

The Gender Equality Council has been working at the Zugdidi City Council since 2018. On April 5, 2019, the City Council approved the action plan of the Gender Equality Council; nevertheless, as in the previous year, in 2023, the Gender Equality Council:

- did not analyze/give expert judgment on legal acts and draft legislation;
- did not develop a system of monitoring and evaluation of measures implemented to ensure gender equality;
- did not submit the report for 2022 to the City Council and did not prepare proposals and recommendations. The report for 2023 is currently being drafted;
- discussed the behavior of Tengiz Mamporia, Deputy Chairperson of the United National Movement faction, who used insulting language against a woman during the City Council session. Tengiz Mamporia was issued a warning for violation of the Code of Ethics of the City Council member.

CHAPTER 10. EXPENDITURES OF THE ZUGDIDI CITY COUNCIL

The expenditures of the Zugdidi City Council in 2023 amounted to **GEL 1,917,257**, increasing by **GEL 615,027** compared to the corresponding figure for 2022. Of the mentioned amount, **GEL 1,632,883** was spent on labor remuneration.

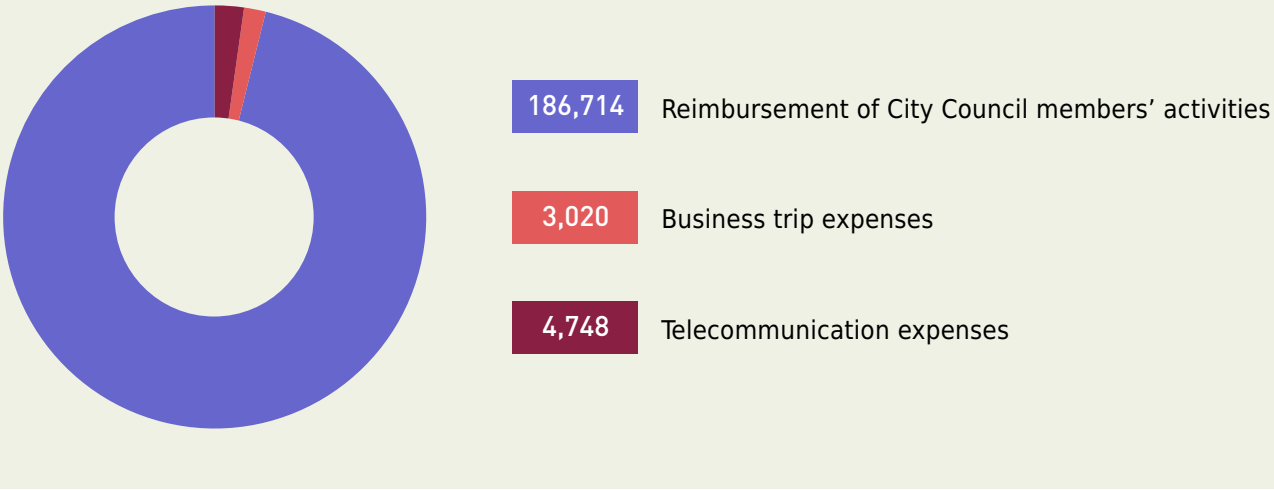
Detailed information on salaries for the Zugdidi City Council officials in 2023 is presented in the table.

Other expenses of the City Council:

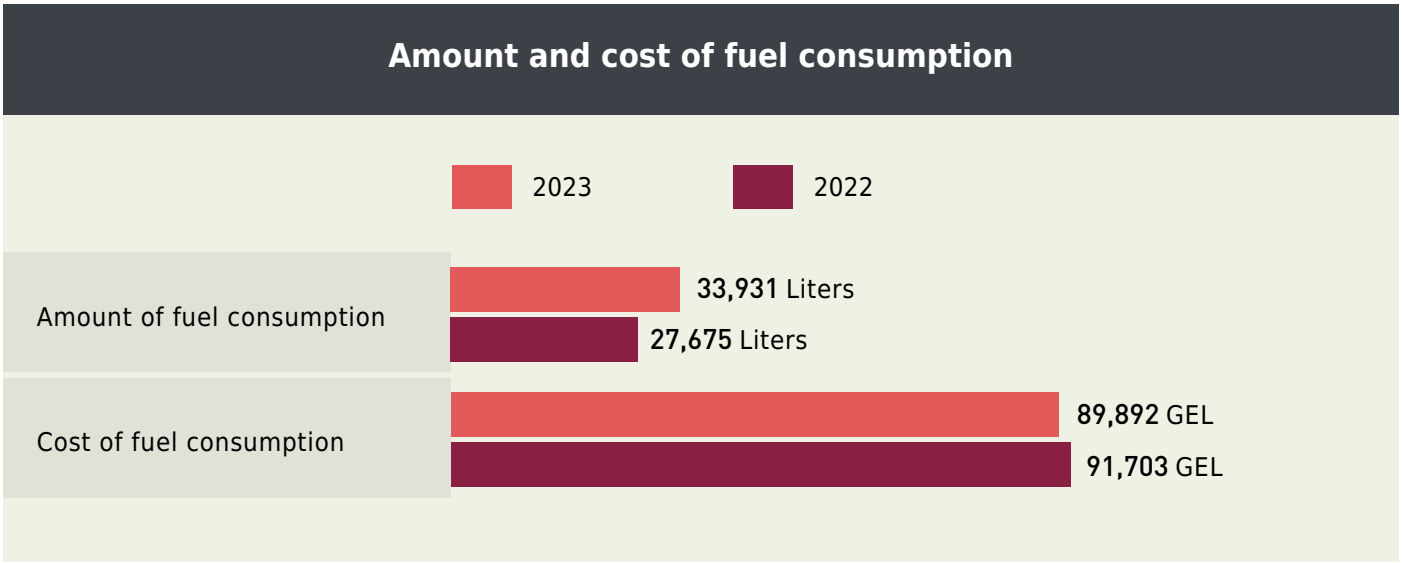
In addition to salaries, the Zugdidi City Council spent on business trips, telecommunications, reimbursement of expenses for Council members' activities, and the purchase of fuel. The members of the United National Movement faction in the Zugdidi City Council refused to receive reimbursement for telephone expenses from the very first City Council meeting. After the decision made in June 2022, the reimbursement of telephone expenses was cancelled for all the council members, and these expenses are reimbursed only to the staff of the City Council office.

In contrast to the previous City Council, the current Zugdidi City Council does not use municipality-owned cars. The fuel limit for the City Council chairperson was lowered from 700 to 400 liters, and for deputy chairpersons from 400 to 350 liters.

Expenses of the Zugdidi City Council in 2023 (GEL)



In 2023, the expenses for fuel purchases decreased, but the amount of fuel consumed increased:



The leader among the Council members in terms of spending fuel is Chairperson of the City Council Giga Parulava (**4,170** liters), and among the representatives of factions is Irakli Gogokhia, the Chairperson of the Georgian Dream-Democratic Georgia faction (**1,759** liters).

Detailed information on fuel consumption by officials in the City Council can be seen in the table.

RECOMMENDATIONS

Implementation of oversight:

- City Council members should increase their involvement in oversight activities, in particular, using oversight mechanisms more frequently and overseeing public procurement processes more actively;

- City Council's permanent commissions should engage in the oversight process of executive bodies;

- The City Council should proactively and in good faith identify conflicts of interest, incompatibility with public office, and violations of the Rules of Procedure of the City Council and ethical norms;

City Council Sessions:

- The City Council should minimize the frequency of extraordinary sessions in order to improve the quality of interest group mobilization and citizen engagement, to enable them to prepare for topics to be discussed at sessions, and to increase the transparency of the deliberative body.

Accountability:

- Attendance by City Council members at council sessions and commission sittings needs to be improved. We believe that all City Council members should behave responsibly and attend sessions. A council member who misses a session without a valid excuse should be sanctioned accordingly;

- City Council members must actively exercise their right to speak at a council session, to present their views on an issue under consideration, and to provide information to both the City Council and the executive body about the specific needs of citizens.

Citizen engagement:

- The Zugdidi City Council must create an e-platform that allows citizens to electronically submit petitions, proposals, and opinions on particular matters or initiatives, thereby increasing the possibility of greater citizen involvement in the activities of the representative body.

Gender Equality Council:

- The activities of the Gender Equality Council must be improved. The council needs to increase the number of initiated projects, recommendations, and proposals.