

# PROGRESS REPORT

## GEORGIA

### Legislative Developments

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#### **Criminal Code of Georgia**

Amendments to the Criminal Code of Georgia expanding the subjects of bribery offences in line with recommendation 2.3 to and bringing legislation in compliance with international standards have been adopted by the Parliament of Georgia in November 2011. According to the amendments subjects of bribery offences extended over members and personnel (staff members) of ad hoc commissions of the Parliament, electoral subjects (natural persons), as well as foreign arbitrators and jurors, who exercise their functions based on the legislation of foreign state. In addition, double criminality requirement for the offences committed abroad by Georgian nationals have been abolished and jurisdiction expanded over the citizens of foreign State who exercise public authority for Georgia and who commit the crime on the territory of a foreign State.

Under Amendments requirements for release of person from criminal responsibility in case of bribery offences have been enhanced as well: a person will be released from criminal responsibility if he/she was extorted of his/her property and he/she voluntarily reported to the agency conducting criminal proceedings, before this body became aware of this act independently.

#### **Law on Political Unions of Citizens**

In fall 2011 Secretariat of the Anti-Corruption Council began working on the political party financing issues. The process advanced with the meetings with non-governmental organizations (Georgian Young Lawyers Association and Transparency International – Georgia) represented in the Anti-Corruption Council, where GRECO 3<sup>rd</sup> Round Recommendations on Political Party Funding, OECD 2<sup>nd</sup> Round Recommendations on Political Corruption, Council of Europe Committee of Ministers Recommendation (2003)4 on Common Rules against Corruption in the Funding of Political parties and Electoral Campaigns and Report of Non-governmental Organizations on Political Party Funding were discussed.

In line with recommendation 3.7 Amendments aim at enhancing political party funding system, preventing political corruption, insuring high level of transparency and accountability and supporting political competition through bringing Organic Law on “Political Unions of Citizens” in compliance with international standards and concern transparency of donations, regulations of non-monetary contributions and loans, as well as establishment of monitoring body, etc.

Under Amendments, legal persons are prohibited to donate to the political parties. Donations can be made only by natural persons – citizens of Georgia. A citizen can donate to political party maximum 60 000 GEL per year or can provide a service of the same value.

The Amendments foresee bank transfer as a method of donations to ensure transparency and better accounting of party finances.

Issues related to loans/credits are also regulated under amended provisions. According to the Amendments: (a) loans can be received only from commercial banks; (b) maximum amount of loan is 100 000 GEL per year; (c) Loans granted under favorable conditions shall be considered as donations in terms where their percentage rate differs from ordinary market rate or where they deviate from the customary market conditions. Same rule applies on good and services received below the market value.

The Amendments also establish maximum limit of membership fee - 1200 GEL per year.

The draft law proposes the Chamber of Control as a monitoring body who is chaired by the person elected by the Parliament for 5 years term – position defined by the Constitution of Georgia: a person who is independent and inviolable.

According to the Amendments, the Chamber of Control is authorized to: (a) elaborate standardized format for financial declaration; (b) define adequate auditing standard of financing of electoral subjects; (c) check the accuracy, legality and completeness of the financial declaration and report of electoral campaign fund; (d) ensure the transparency of political party funding; (e) consult the interested persons on political party funding; (f) request the information on political party funding in case of necessity from political parties, administrative bodies and commercial banks; (g) address the violations of political party funding regulations and apply sanctions prescribed by law; (h) address the Prosecution Service in case of detection of crime.

Parliament of Georgia adopted Amendments in December 2011.

### **National Anti-Corruption Strategy and Action Plan**

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In December 2011, Secretariat of the Anti-Corruption Council within the framework of experts working group elaborated Monitoring Tool for the Implementation of Anti-Corruption Action Plan. Monitoring tool will be submitted to the Anti-Corruption Council at the next meeting.

### **Freedom of Information**

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Secretariat of the Anti-Corruption Council in cooperation with working group of mass-media and non-governmental organization representatives elaborated list of information to be published proactively on web-sites by the governmental agencies. The list comprises procedural rules, structure, rules on adoption of decisions, as well as budgets, audit reports, normative acts, policy documents etc.

The list was approved by the Anti-Corruption Council of Georgia in November 2011.

### **Public Awareness Raising**

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In 2011 The Government of Georgia paid great attention to transparency of the reforms undertaken and increasing public awareness. Information about the initiatives and developments in anti-corruption area is available to public through different means of media sources on a regular basis. This includes for example, information on prosecution of public officials for corruption related offences, sessions of Anti-

Corruption Council etc. Detailed information on anti-corruption policy of the country as well information on Anti-Corruption Council, its sessions etc., is available on the web-site of the Ministry of Justice of Georgia. The web-page is updated on a regular basis to reflect all relevant developments and measures implemented in this respect. Minutes of the Anti-Corruption Council, reports adopted, National Anti-Corruption Strategy and Action Plan as well as other relevant documents are available through this web-site.

On December 9, Ministry of Justice of Georgia in cooperation with United Nations Office on Drugs and Crime (UNODC) and United Nations Development Programme (UNDP) organized Anti-Corruption Day event. The event took place at the Ministry of Justice of Georgia. Participants were the representatives of governmental as well as non-governmental organizations, civil society, academia and mass-media. Secretary of the Anti-Corruption Council made a brief presentation on the anti-corruption reforms carried out by the Government of Georgia. UNODC Country Manager, Signe Rotberga presented the three sector studies produced by UNDP on combating corruption in education, health and water sectors. At the end of the event an award ceremony was arranged for the authors of the best articles on corruption.

#### **Statistical Data**

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Eradicating corruption in the public and private sector continues to be a priority. According to the statistical data, in 2011: (i) investigation was initiated on 63 cases of passive bribery, 28 cases of active bribery, 10 cases of trading in influence and 20 cases of commercial bribery; (ii) 69 persons were prosecuted for passive bribery, 37 persons - for active bribery, 10 persons - for trading in influence and 35 persons - for commercial bribery; (iii) 98 persons were convicted for passive bribery, 79 persons - for active bribery, 8 persons for - trading in influence and 47 persons - for commercial bribery.