

CRITERIA FOR A MINOR VIOLATION IN PROPERTY DECLARATIONS MAY BE DEFINED BY GOVERNMENT INSTEAD OF LAW

The Parliament of Georgia is discussing amendments to the Law of Georgia on Conflict of Interest and Corruption in Public Institutions concerning criteria of minor violations in declarations and change of value thresholds of assets, subject to entry into declarations.

LAW, INITIATOR:

Law: On Amendments to the Law of Georgia on Conflict of Interest and Corruption in Public Institutions

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ESSENCE OF THE DRAFT LAW

Key amendments proposed by Draft Law:

- Criteria for a minor violation in property declaration of a high official will be defined a Government Resolution instead of Law.¹
- The lower value threshold of assets, subject to declaration is changed.

1. CRITERIA FOR A MINOR VIOLATION IN PROPERTY DECLARATION OF A HIGH OFFICIAL

CURRENT VERSION

Are defined by the Law of Georgia on Conflict of Interest and Corruption in Public Institutions



PROPOSED AMENDMENT

Are defined by a Government Resolution



It is crucial to define the concept of a minor violation in a declaration as in the case of major violation a high official is fined by 25% of official salary, but not less than 500 GEL, and in the case of a minor violation an official is given a warning.

Article 13¹ of the Law of Georgia on Conflict of Interest and Corruption in Public Institutions offers the following definition of minor violations:

THE LAW OF GEORGIA ON CONFLICT OF INTEREST AND CORRUPTION IN PUBLIC INSTITUTIONS OFFERS THE FOLLOWING DEFINITION OF MINOR VIOLATIONS:

REAL ESTATE

Deviation in residential area does not exceed registered area by

20%, but not more than by 40 sq.m.

Deviation in non-residential area does not exceed registered area by

20%, but not more than by 20 sq.m.

Deviation in non-agricultural land plot area does not exceed registered area by

10%, but not more than by 100 sq.m.

Deviation in agricultural land plot area does not exceed registered area by

20%, but not more than by 500 sq.m.

BANK ACCOUNTS

Net deviation does not exceed **500 GEL**.

Non-declared bank account if it is not active during the reporting period or a turnover is recorded, which does not exceed **100 GEL**.

ENTREPRENEURIAL ACTIVITY

Information about engagement in entrepreneurial activities does not include the enterprise the high official has interest in and which has not been operating for **5 or more years** before the date of filling-in the declaration.

PAID WORK

Deviation between remuneration entered into declaration and actual data does not exceed **500 GEL**.

AGREEMENT

Deviation in calculation of material outcome does not exceed **1000 GEL**.

2. CHANGE IN LOWER THRESHOLDS OF REVENUES AND ASSETS SUBJECT TO DECLARATION

THE LOWER THRESHOLDS OF REVENUES AND ASSETS SUBJECT TO DECLARATION ARE INCREASED:

The amount of cash owned by an official person or his/her family member, which exceeds/totals 4 000 is increased to 10 000 GEL.

4000 GEL ► 10 000 GEL

Any agreement executed by an official or his/her family member, the subject value of which exceeds/totals 3 000 is increased to 10 000 GEL.

3000 GEL ► 10 000 GEL

Revenue of an official or his/her family member, which exceeds/totals 1 500 is increased to 3 000 GEL.

1500 GEL ► 3000 GEL

Expenditure of an official or his/her family member, which exceeds/totals 1 500 is increased to 5 000 GEL.

1500 GEL ► 5000 GEL

ASSESSMENT/RECOMMENDATION



Removal of criteria for minor violations in declarations of high officials from Law and their adoption as a Government Resolution will considerably deteriorate the transparency of the process, will increase corruption risks and have an adverse impact on the efficiency of declaration system, will simplify frequent change of criteria in future, amongst them, their essential expansion. The Government, unlike Parliament, is fully stuffed with the members of ruling team, what further increases risks that criteria will be adopted without adequate discussion and legitimate necessity.

Introduction of the concept and criterion of minor violation into the Law in April 2018 was mainly conditioned by the outcomes of Public Service Bureau Monitoring Report 2017, according to which Report 78% of checked declarations of 287 high officials were negatively evaluated, amongst them the declarations filled-in by the Members of the Parliament.² According to the explanations of the authors of the Draft Law, the introduction of the definition of minor violation aimed at changing this grave statistics.

On 31 December 2018 Public Service Bureau published the outcomes of 2018 monitoring of the declarations of high officials, which evidence, that 73% of 348 declarations of high officials checked in 2018 were negatively evaluated and 8% were found to have minor violations.

OUTCOMES OF MONITORING OF PROPERTY DECLARATIONS OF HIGH OFFICIALS

2017

78% of declarations of 287 high officials were **negatively** evaluated.

78%

2018

73% of 348 declarations of high officials were **negatively** evaluated and 8% were found to have minor violations.

73%

1 The concept of minor violations in declarations about property status was added to the Law of Georgia on Conflict of Interest and Corruption in Public Institutions last year. It provided for detailed list of cases when a violation will be regarded as a minor one.

2 Public Service Bureau has examined violations in declarations of the Members of the Parliament on the basis of the survey of Internal Transparency - Georgia, as a result of what 54 Members of the Parliament were fined. See the survey: <https://bit.ly/2BL5SGW>

