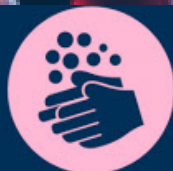
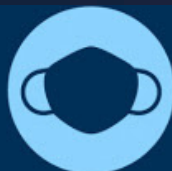


Report #1:
GEORGIAN
GOVERNMENT'S
TIGHTENED BELTS:

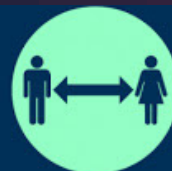
How Much Does Electoral
Loyalty Cost?



HANDS



FACE



SPACE

While in the country:

- **There is a state of emergency,**
- **There is an increased poverty rate,**
- **The population keeps getting poorer,-
Business is stopped,**
- **Thousands of people are unemployed,**
- **There is a rising number of COVID-19 cases,**
- **People die from the pandemic, etc.**

The government's responses are the following:

- **Self-dismissing Parliament,-**
- **Wasted budget,**
- **Rigged elections,**
- **Silent and Quiet President.**

From now on, Civic IDEA will periodically offer to all the interested parties the results of our research regarding the following issues during the pandemic conditions:

- What did it cost us for the Georgian Dream to buy the loyalty of different groups for the elections;
- How political officials were unable to give up the comforts gained at the expense of the budget;
- How the government failed to put the entire administrative resource at the service of fighting the pandemic, instead of building party loyalty;
- Despite the uttermost drama of the situation, how chaotic are the primary and secondary matters for the Georgian government?

IT MUST BE SAID AT THE OUTSET, DESPITE THE PANDEMIC, MONEY FROM THE BUDGET WAS SPENT EXACTLY THE WAY IT IS USUALLY SPENT BEFORE EVERY ELECTION.

We all receive government messages telling us that everything is being done to alleviate the social and economic problems caused by the pandemic, while at the same time, creating the illusion of accountability for the funds that will be used to tackle the crisis triggered by Covid-19.

We will show you that under the current budget, even without mobilizing additional funds, **the government could have offered a much larger and more fundamental aid package to citizens and businesses through:**

- Proper planning,
- Effective management,
- Rejection of unnecessary and secondary costs,
- And most importantly, **through the refusal to spend the budget for their own, narrow party electoral purposes.**

We should note at the outset that our study is entirely based on the research of the tender data available in the public space and does not currently cover large costs, such as salaries and bonuses, petrol and transportation costs, etc. Experience shows that there are the biggest issues in these specific budget categories. However, since the government agencies operate remotely and the public information requests proceed with incredible difficulties, we decided to offer the costs that are publicly, proactively available through various government web resources, and

do not require additional involvement of the state institutions.

Moreover, a pandemic is raging in Georgia, likewise all the other countries in the world. 2020 was an election year, and therefore, as practice shows, it is in the election year when the specific unforeseen expenses appear in the budget. By this, of course, we do not mean the remuneration of the work done by the election commissions, the arrangement of the polling stations, or the printing of the ballot papers.

Particularly noteworthy for our research objectives were the costs that can be seen on the official websites of the announced tenders. **They allow us to judge the use of administrative resources or budgetary resources for the benefit and the election purposes of one particular party.**

They say the budget is a mirror of the state. This mirror best reflects all the breaches or shortcomings that arise in governance. These shortcomings are sometimes mere mistakes, but sometimes, a corrupt criminal offense committed for direct, personal enrichment, but, in some cases, they specifically serve the electoral objectives of one party and are therefore at odds with the country's declared democratic system of governance.

2020 was different from other election years precisely because of the pandemic. If otherwise, the 10-20 million from the budget in favor of the ruling party might have gone unnoticed; nowadays, every Tetri and Lari spent in 2020 is vital and, therefore, subject to special monitoring and reporting. Also, we should note that following the country's constitution, the institution responsible for ensuring this monitoring and accountability of the government is the **Parliament of Georgia**.

In spring, right after the Covid-19 cases were confirmed in Georgia, the latter supported the declaration of a state of emergency. **Despite its clear constitutive commitment of constant assembly, the parliament went into self-immolation. And then, gathered only to absolve itself of responsibility and hand over its powers in full to the Prime Minister and the government.**

During this period, ten months since the declaration of the state of emergency, neither during the plenary sessions of the Parliament nor during the committee discussions were:

- **Expressed any interests regarding our representatives ensuring efficient and purposeful spending of budget expenditures;**
- **Hearings of activities or planned activities of the Ministers of Finance, Economy, Health, Education or other very specific, vital areas for the country and the population.**

For example, while the country was completely unprepared both technically and because of the lack of special training programs, tens of thousands of teachers had to conduct the training process online. In any country, especially a parliamentary one, the Minister of Education is heard in Parliament at least twice a month to find out what steps are being taken:

- For teacher training;
- To provide teachers with computers;
- For the nationwide delivery and smooth operation of the Internet,
- To conduct ongoing research to identify gaps and problems in online learning among students and parents, and more.

"Questions to the Minister" is just one example of the activities that should have been the daily routine of the Parliament for ten months, on the one hand, to constantly control of government activities, as the likelihood of the abuse of power during emergency rules increases, and on the other hand, to make all the immediate legislative changes that would facilitate the effective management of the process.

To mention the example of the education system again, the country has moved to online education in such a way that could not comply with the existing law. Even today, after ten months of the more or less successful

operation of this system, we have almost the same gap in terms of legislation as in March 2020.

If the parliament were to be interested in the dynamics of the distribution and spending of budget revenues during the pandemic, **it would inevitably find that most of the state agencies continued to spend and operate in the same way as before**, without saving any resources saved for emergency tasks. However, since 2020 is the year of their election as members of parliament, it is not surprising that there is complete silence on the part of the legislative body.

In Georgia, as has always been the case, grateful public officials and specific groups in society, such as athletes, are the only lever for the ruling party to win. Consequently, their gratitude acquires special significance in the election year.

Depending on how challenging the election is for the ruling party, the amount and intensity of specific expenses are sometimes more and sometimes less but are usually constant.

2020 PARLIAMENTARY ELECTIONS AND THE USE OF ADMINISTRATIVE RESOURCES

During the 2020 parliamentary elections, among other irregularities, much of the criticism of opposition parties was directed towards the use of athletes for violence, pressure, and illegal influence on the will of the electorate.

In addition to opposition parties, the media and the non-governmental organizations observing the elections reported on the activity of athletes. Numerous videos and photographs proving such cases have emerged.

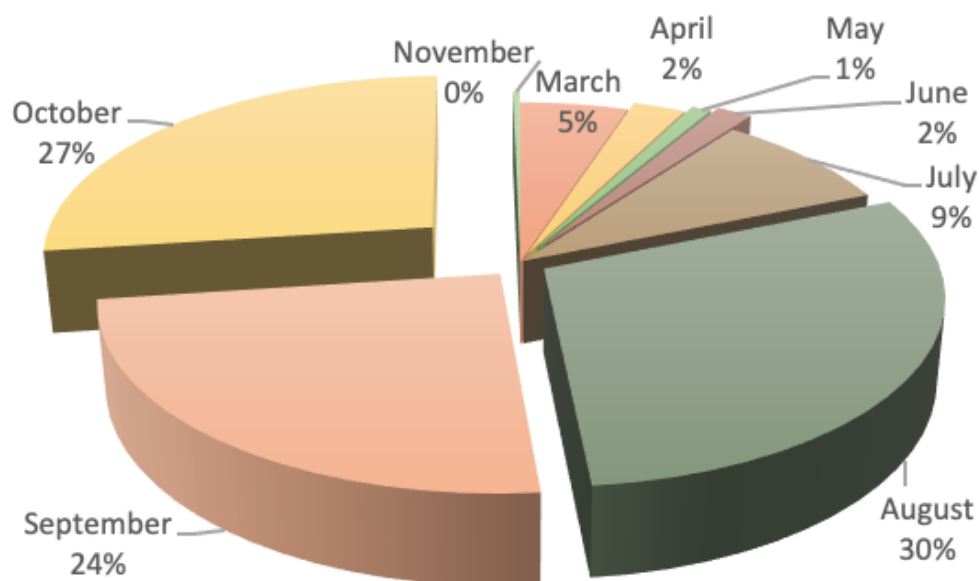
We decided to find out what it cost us, the taxpayers, the violence against our will, and how much we can buy the loyalty of athletes in Georgia.

A study of budget expenditures through tenders shows that in August-October 2020; when the election campaign and, consequently, party meetings began, there was an unprecedented increase of expenses, and completely new expenditures were emerging throughout Georgia for:

- Sports events,
- Sports equipment,
- Sports buildings,
- Football fields and equipment,
- Fitness and various types of workout machines,
- Wrestling and judo uniforms,
- Amateur tournaments, and a thousand other similar events.

Funding doubled in August and reached a principally high level in October. In total, during the pandemic and from the state budget (through tenders), about **13,800,000 GEL** was spent to ensure the loyalty of the sports world.

Sports Activities in 2020

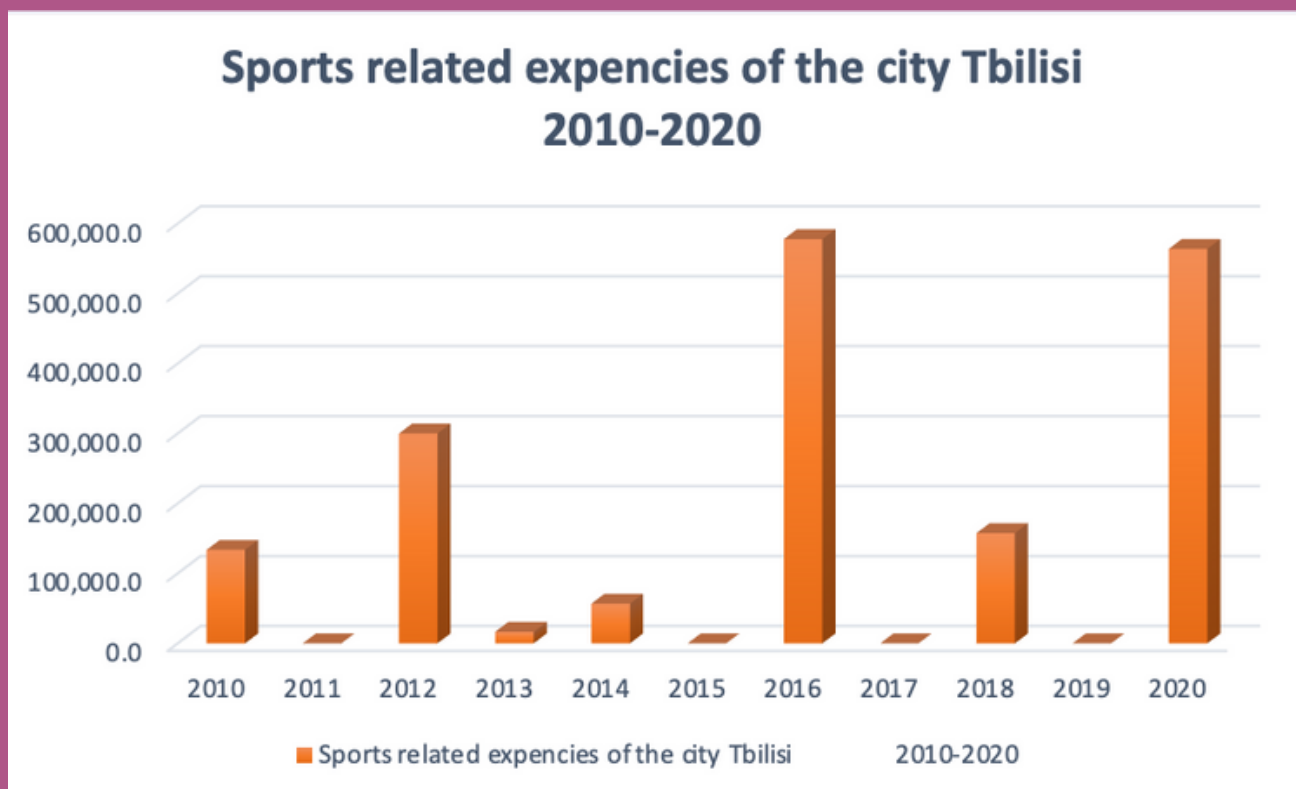


March April May June July August September October November

Our experience shows that when publishing similar reports and data, the main argument of the government is usually the identity of the expenditure to the similar times in other years. They say that only one year of data output misleads readers because they do not know what to compare. Consequently, the essence of the numbers becomes incomprehensible.

To disprove this argument, we offer information on the financial resources spent by one of the largest spenders, Tbilisi City Hall, during the rule of both the Georgian Dream and the United National Movement, by years.

The present diagram clearly shows the difference between election and non-election years. The timetable illustrates how the needs and consequently the expenses disappear during the non-election years, then how miraculously they return during the election years. For example, if in 2011, or 2015, the expenses for sports events amounted to "0" GEL, while in 2013, it was completely minimal (16,500 GEL), we see that these expenses increase to several hundred thousand GEL during the election years.



Civic IDEA

will continue to offer you further interesting results of our research, study facts, and complete information about:

- **Wasted budget resources;**
- **Improper expenditures!**
- **Use of budgetary resources for the party and electoral interests,**
- **Misuse of administrative resources and other similar cases.**

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