

Prepared by: Georgi Baramidze-Member of Georgian Parliament

GLOBAL FORUM ON FIGHTING CORRUPTION AND SAFEGUARDING
INTEGRITY AMONG JUSTICE AND SECURITY OFFICIALS (2/24-2/26)
Internal Oversight: Prevention, Detection and Investigation

Good afternoon ladies and gentlemen,

First of all, I would like to thank Ms. Jacquelyn Williams-Bridgers, for giving me an opportunity to participate in this important event and extend greetings to all of the organizers and participants of this conference. In my opinion, this conference is timely, important and it coincides with the interests of every civilized nation of the world. There is no country in the world that is completely corruption free, but luckily, there are countries that have accumulated solid experience in fighting corruption successfully. These types of meetings give us opportunities to share ideas and expertise amongst ourselves. Therefore, this conference carries practical importance.

Please, allow me to share with you the experience generated by my country and its parliament in fighting corruption.

As you already know, Georgia for 70 years was a part of Soviet Empire. It gained independence in 1990. Georgia inherited: Soviet system of planned economy, lack of transparency in state institutions, negative mentality for generating income using illegal methods, high level of corruption and other related factors became serious obstacles on the way of building democratic country.

Georgia started implementing reforms in various areas during the past five years. Political, economical and social reforms have produced fast and obvious results even during first couple of years. GDP growth has reached 11 percent in the first three years of the reforms; inflation has been kept at low 5-6% figure. However, high level of corruption has prevented us to maintain such economic indicators. President Shevardnadze has acknowledged that corruption represents a major threat to national security and he declared year 1997 as a beginning of a large-scale war against corruption. Since corruption has been major concern for Georgian population, they expressed their overwhelming support and motivation for aforementioned political measures. These measures were immediately supported by one of the most reform minded parliaments of Eastern Europe and Central Asia.

As early as 1996, by the initiative of the chairman of Georgian parliament, Mr. Zurab Zhvania anti-corruption investigation commission was created. The commission was founded on the basis of anti-corruption law. I was honored to head up this commission for two years.

Anti-corruption Investigation Commission is a part of the legislative branch that is accountable to the Georgian Parliament. According to the law, the Commission has been

given broad authority such as: right to summon and question any government official, require to receive any materials and information necessary to investigate corruption practices, to instruct Ministries of Internal Affairs, State Security, Office of Public Prosecutor and Chamber of Control.

In order to investigate individual cases of corruption, specific working groups within the Commission present materials for hearing to the Commission. Final resolutions are distributed to the Parliament and Mass Media. In case of corruption practices involving ministers and other high level officials, the Commission is authorized to start impeachment process against them.

If required, Commission resolutions and corresponding materials are sent to the Office of Public Prosecutor and Law Enforcement Ministries. Such actions are conducted for the purposes of bringing corrupt officials to justice.

The Commission utilizes information received from various sources, such as government agencies, NGOs, ordinary citizens and media. The primary duty of the Commission is to carry out directives of the Parliament, however it can self initiate investigations on issues concerning National Security. Throughout its existence, the Commission has studied number of cases. The most important one was regarding the viability of some of the decisions made by Former Prime Minister and two Vice Prime Ministers.

We determined that they were discouraging competition by granting some companies exclusive privileges that has hurt the country. We also investigated the case concerning several activities at the Gas Department and informed the President about obtained facts of corruption. As a result, the Chairman of the Department was relieved of his duties.

At a request from representatives of small and medium-size private enterprises and special instructions from the Chairman of Parliament, we investigated illegal activities conducted by the License Department that was unlawfully founded in the capital city of Tbilisi. As a result, the department was dissolved.

As a result of cooperation between Prosecutor Generals Office and the Commission, we were able to return to the government \$3,000,000 worth of unlawfully privatized shares of Gudauri hotel.

Within the last three years, the Commission participated in the resignation process of five Ministers that were initiated by the Parliament. Especially I would like to emphasize cases of impeachment involving the Ministers of Communication, Energy and Finance. They were directly carried out by the Commission. Investigation revealed the facts of power abuse, favoritism towards individual companies, neglecting principles of fair competition in order to fulfill their personal interests resulting in generation of illegal revenues by aforementioned Ministers. Depending on the complexity of cases, the working groups consisted of three to six parliamentarians, members of the Commission. The groups are supported by one or two experts out of a 10-member administrative staff of the Commission. Each individual matter is addressed during hearings that are open to

general public. Moreover, the corruption practices that took place at the Ministry of Communications were broadcasted live by the prime government TV channel.

Practice of transparency at the Commission had positive impact on overall effectiveness, quality and reputation of the Commission. It led to increased government credibility and caused the interest of society in defeating corruption by actively supporting our activities. As an example, in dealing with the aforementioned case at the Ministry of Communications the Commission was supported by democratic, non-governmental organization "Freedom Institute" and popular independent newspaper "Resonansi". We have acknowledged the benefit of cooperating with NGOs from the very beginning. We also try to be supportive towards their efforts in establishing, development and activities.

I, as a Chairman of Anti-corruption Commission was given an opportunity to initiate the project with a goal of anti-corruption monitoring of existing legislation, sociological research and anti-corruption propaganda jointly with the Georgian Government, United Nations and the World Bank.

Non-governmental organization, "Center for Corruption Investigation" was created to implement the project. The center actively cooperates with all three branches of power. It analyzes public responses to various events, conducts popularization of anti-corruption activities, enhances transparency within the governmental structure, disseminates information among the general public, participates in creating anti-corruption legislature and legislative amendments. I was given an opportunity to initiate the very first legislative act in Georgia- the Conflict of Interest and Corruption, with the direct support from the Center. This act was adopted by an overwhelming support of the Parliament at the beginning of this year. This act established ethical standards of governmental behavior at the workplace, made swifter the existing law on bribe giving and receiving and other activities mediating such illegal practices, established practice for high level government officials to declare their personal property and finances. The above measures caused certain dissatisfaction among the government officials, since the officials activities became more exposed and it made more difficult for them to disguise the sources of illegally generated revenues. As a result, the law enforcement agencies found themselves in better condition to fight corruption more effectively and the public became better informed as well.

In the fall of 1998 the Georgian Parliament passed an act on Lobbiesm. This act brought in legislative balance existing lobbying practices that earlier lacked legal framework within the Parliament and local councils. Anti-corruption Commission with the support of NGO Corruption Research Center developed the draft to this law. By the way, two representatives of the aforementioned NGOs participate in the conference as well. I would like to thank all NGOs and Mass Media for positive cooperation and wish them further success. I hope that they will play more important role in educating our society and increase anti-corruption awareness. This is very important for Georgia, where luckily Mafia does not exist but there are corrupt clans whose activities have to be limited not only by regulatory mechanisms but public efforts as well.

We do not approve anyone who benefits financially or otherwise by evading law through cheating, protectionism and bribery, such activities should be considered disgraceful and unacceptable. Establishing this mentality on every level of society will result in intensification of anti-corruption movement within every political group. Elected officials should be held more accountable towards their constituents. I would like to state, that joint anti-corruption efforts between majority and opposition within the Commission have been very positive. Although, according to the law the Commission should make decisions based on majority of vote, we never had to use it in reality. All decisions were made based on consensus. This indicates that the issues presented to the Commission are well prepared by the working groups and the staff.

The majority in the Parliament considers important to cooperate with opposition especially on anti-corruption issues. By the majority decision in the Parliament, the make up of Anti-Corruption Commission consisted of nine members from opposition parties and eight members represented majority. The purpose was that Anti-Corruption Commission did not serve partisan interests of the majority and creating transparency and credibility of the Commission. In my opinion, the Commission has well served its purpose and dismissed aforementioned Ministers, in other words with the efforts of the Commission, corrupt government officials were stripped the decision making power. This had positive impact on strengthening of national security. Currently, the cases involving indicted Ministers are being investigated by the law enforcement agencies and the office of Prosecutor general to determine their legal responsibility under criminal code. If this materializes, it will be a step forward towards building true democratic state. Anti-corruption Commission has been in control of these processes will force law enforcement agencies to fulfill their duties. Although we have been successful in our past activities, we realize that there is a long way to go. In order to fight corruption all three branches of power have to combine their efforts. Therefore, we have to undertake judicial and government reforms. Without the just and effective judicial system the effectiveness of fighting corruption will be minimal. Georgian Parliament and President with the support of US, Germany and international organizations conducts selection of the judges through examinations and testing, establishes truly independent judicial system, creates high level social-economic conditions. Currently, the Parliament is discussing the Presidents constitutional initiative to transform the administration into the Cabinet of Minister, reducing beurocracy for the sake of improved transparency.

President Shevardnadze has introduced a new initiative to create small but effective special institution in order to successfully fight corruption. The President prepared this legislative act in cooperation with the Security Council and the support of Anti-corruption Commission of the Parliament and Corruption Research Center. I think, that all these initiatives will stimulate the effectiveness in fighting corruption. Corruption will be minimized to the level when it will no longer be a threat to the National Security.

I am convinced that our friends in the US and European Union will continue supporting Georgia in this mission. I believe that cooperation in fighting the corruption is equally important as cooperation in preserving cleanliness of our planet. There is a certain similarity between the ecosystem and human society. Just like when Mother Nature

losses the ability to regenerate its resources as a result of overpollution, the society will lose its ability to function well due to overcorruption.

Therefore, time of jointly fighting the corruption has come. United Nations as well as other international organizations may consider increasing their activities towards fighting corruption. Let's try to save our countries individually and our planet together from polluting it with corruption.