

COUNTRY SUMMARY - GEORGIA

POLITICAL - 48%	Defence & Security Policy	Legislative Scrutiny	4
		Defence Committee	2
		Defence Policy Debated	2
		CSO Engagement	1
		International AC Instruments	3
		Public Debate	1
		AC Policy	2
		AC Institutions	1
		Public Trust	3
		Risk Assessments	0
	Defence budgets	Acquisition Planning	0
		Budget Transparency & Detail	2
		Budget Scrutiny	2
		Budget Publicly Available	1
		Defence Income	1
		Internal Audit	2
		External Audit	2
	Other Political Areas	Natural Resources	4
		Organised Crime Links	3
		Organised Crime Policing	2
		Intelligence Services Oversight	3
		Intelligence Services Recruitment	1
		Export Controls	2
		Asset Disposal Controls	2
FINANCE -45%	Asset Disposals	Asset Disposal Scrutiny	1
		Percentage Secret Spending	0
	Secret Budgets	Legislative Access to Information	2
		Secret Program Auditing	0
		Off-budget Spending in Law	4
		Off-budget Spending in Practice	-
		Information Classification	1
	Links to Business	Mil. Owned Businesses Exist	2
		Mil. Owned Business Scrutiny	2
		Unauthorised Private Enterprise	4
PERSONNEL - 47%	Leadership	Public Commitment	0
		Measures for Corrupt Personnel	2
		Whistleblowing	1
		Special Attention to Sensitive Personnel	1
	Payroll and Recruitment	Numbers of Personnel Known	3
		Pay Rates Openly Published	3
		Well-established Payment System	4
		Objective Appointments	2
	Conscription	Objective Promotions	0
		Bribery to Avoid Compulsory Conscription	2
	Salary Chain	Bribery for Preferred Postings	1
		Ghost Soldiers	3
		Chains of Command and Payment	4
	Values, Standards, Other	Code of Conduct Coverage	2
		Code of Conduct Breaches Addressed	0
		AC Training	1
		Prosecution Outcomes Transparent	1
		Facilitation Payments	4
OPS -25%	Controls in the Field	Military Doctrine	1
		Operational Training	1
		AC Monitoring	1
		Controls on Contracting	0
		Private Military Contractors	2
		Legislation	1
PROCUREMENT - 21%	Government Policy	Transparent Procurement Cycle	1
		Oversight Mechanisms	1
		Purchases Disclosed	1
		Standards Expected of Companies	0
	Capability Gap	Strategy Drives Requirements	1
		Requirements Quantified	0
	Tendering	Open Competition v. Single-Sourcing	1
		Tender Board Controls	1
		Anti-Collusion Controls	1
	Contract Delivery / Support	Procurement Staff Training	1
		Complaint Mechanisms for Firms	2
		Sanctions for Corruption	2
	Offsets	Due Diligence	-
		Transparency	-
		Competition Regulation	-
	Other	Controls of Agents	0
		Transparency of Financing Packages	0
		Subsidiaries / Sub-Contractors	0
		Political Influence	1

Georgia is placed in Band D. Regarding **political risk**, anti-corruption has been a governmental priority since 2004, and to some extent its activities have carried over to the defence and security sector. It has seen success in fighting small, low-level corruption in the past several years, and citizens' everyday experience of bribery has significantly declined; however, high-level, elite corruption, and the secrecy of the defence sector still prevail. In general, the Ministry of Defence (MOD) is recognised to provide outsiders—the media, non-governmental organisations (NGOs), and even members of the legislature—with the information it selects to share, but is rarely compelled to be fully transparent about its activities. Legislative oversight of the defence sector is in place, but formal powers have not, it is found, translated to sufficient scrutiny in practice. There is a breakdown of the defence budget by general function, though information on income outside of central government allocations is lacking. Audits are undertaken but not published. However, Georgia has signed UNCAC and other international anti-corruption conventions. Nevertheless, there is evidence that the illegal arms trade operates in Georgia, despite some joint anti-nuclear proliferation initiatives with the USA's Department of Defence.

In terms of **finance risk**, the law on state secrecy in Georgia provides clear regulations for classifying information as secret, and is open to the public. All expenditure is indicated to be on the budget, though in an aggregated form. There is no clear public figure regarding percentage of national budget being secret spending, and the legislature does not receive audits of secret items. There is no evidence of unauthorised private enterprise by defence staff. Military-owned businesses are mostly illegal, with some exceptions, including factories and the defence academy. Despite legal regulations, there is little transparency with regard to arms disposals.

In **personnel corruption risk**, there is reported to be selective application of measures in the Criminal Code and the Decree for Disciplinary Norms to control ethical behaviour amongst personnel. There is no official information about the promotions process; appointments are recognised to be often given to those with relationships with the minister. There have been cases of conscripts bribing doctors to avoid military service. No formal mechanisms for whistle-blower protection exist. Nevertheless, pay rates are known, and there is clear separation between payment and command chains.

In terms of **operations risk**, there is no mention of corruption in Georgia's military doctrine, nor evidence of anti-corruption training for commanders or soldiers.

On the **procurement** front, the assessment indicates that normal procurement procedures are often bypassed by the MOD with little justification beyond "state interest". It is also found that purchases are opportunistic in nature, without a formal acquisition strategy openly published. Forty two per cent of all government procurement is single-sourced; with regard to the MOD this number may be even higher. The government is found to place few requirements on bidding companies with regard to corruption. Agents and brokers are not subject to control mechanisms. Particularly due to the relatively small budget of the government, Georgia depends on political influence and allies for arms sales. On the positive side, the state procurement agency has recently put in place a new e-procurement system, however.

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