



EVALUATION OF PERFORMANCE OF THE CITY COUNCIL OF POTI IN 2022

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INTRODUCTION:

Transparency International Georgia has evaluated the performance of the City Council of the Poti Municipality (hereinafter the City Council of Poti) in 2022.

The report is based on the information requested from the City Council and that posted on the City Council's official website, as well as on the observations of our organization.

The study period covers the year 2022.

Transparency International Georgia has evaluated the performance of the City Council of Poti twice, the [first report](#) covered the study period between November 2017 and 2019, and [the second](#) report covered the year 2020.

CHAPTER 1: MAIN FINDINGS

- During the reporting period, the City Council of Poti exercised weak oversight over the Poti City Hall and legal entities established by it, and the oversight over the officials and individual agencies accountable to the City Council was formal in most cases;
- No instances of conflicts of interest, incompatible activities with public service, or violations of ethical norms and rules of procedures were identified at the City Council of Poti;
- The organizational aspects of the City Council sessions witnessed significant improvement in 2022 compared to 2020. A total of 14 sessions were conducted throughout the year, with only two of them being extraordinary;
- Throughout the reporting period, the Poti City Council approved a total of **53** resolutions, with **42** of them being authored or initiated by the Poti Mayor, and the remaining **11** resolutions originating from separate commissions of the City Council;
- Within the City Council of Poti, there has been an improvement in the accuracy of declaration filings. Out of the **22** officials, only **one** individual submitted a declaration with violations;
- Out of the **3** factions of the City Council, only the “Poti for Georgia” faction did not have an initiative;
- Despite the minimal level of activities carried out by the factions, the expenses allocated for their operation were disproportionately high, reaching a total of **416,286** GEL;
- While the City Council of Poti has a Gender Equality Council in place, similar to the previous period, the Council did not conduct analyses of legal acts or provide expertise on draft legislative acts. No statements, documentation, or any other information regarding the violation of gender equality were reported within the Poti City Council;
- The rate of absence from City Council meetings has witnessed a decrease in 2022. Members of the City Council were absent from meetings a total of **50** times, with **46** of those absences deemed without valid reasons. A total of **133** instances of commission session absences were recorded, with **124** of them deemed illegitimate;
- Among the members of the City Council, Mikheil Firtskhalava from the “United National Movement” faction had the highest number of absences, missing a total of **9** sessions. Additionally, Darejan Tskhvitaria, the faction’s chairperson, had **8** absences, while Paata Chaganava, the faction’s deputy chairman, had **7** absences, ranking them among the leaders in terms of session absences;
- Paata Chaganava, the chairman of the “United National Movement” faction, holds the highest number of missed commission sessions among the city hall members without a valid reason, totaling **27**. Lasha Rukhaia, a member of the same faction, has recorded 14 absences without a valid reason from the commission sessions. Additionally, Darejan Tskhvitaria, the faction’s chairman, has accumulated 12 absences, placing them among the leaders in terms of absences without valid reason from the commission sessions. Based on our information, Lasha Rukhaya is [volunteering in the fight](#) against Russian occupation forces in Ukraine.
- In 2022, among the 35 members of the Poti City Council, **11** members refrained from exercising their right to speak, while **27** members did not present their reports.

- In 2022, the City Council of Poti expended a total of **1,565,832 GEL**, reflecting an increase of **272,032 GEL** compared to the year 2020.
- A sum of **1,343,413 GEL** was allocated for wages in the year 2022.
- The City Council acquired **31.6 tons** of fuel at a cost of **102,159 GEL**. Out of the total fuel quantity, **18%** (equivalent to 5,702 liters) was consumed by Aleksandre Tkebuchava, the chairman of the Poti City Council.
- Non-executive members received a total of **105,134 GEL** as reimbursement for expenses related to activities conducted in 2022. The telephone communication expenses of the Poti City Council amounted to **6,683 GEL**, while the business trip expenses totaled **8,843 GEL**.

CHAPTER 2: GENERAL INFORMATION ABOUT THE CITY COUNCIL OF POTI

The City Council of Poti is the representative body of the Municipality of the City of Poti which exercises [the powers](#) determined by the Local Self-Government Code in the territory of the municipality. It also **assumes oversight responsibilities over the activities of the executive body** and its officials within the limits established by law and carries out other powers assigned to it by the Constitution of Georgia, other legislative acts, and the Rules of Procedure of the City Council.

The City Council of Poti has **35** members, **7** of whom are elected in single-mandate majoritarian electoral districts, and **28** members are elected proportionally.

As a result of the 2021 Local Self-Government Elections, the number of mandates was distributed as follows:

- “Georgian Dream-Democratic Georgia” - 20 mandates, including 6 majoritarian mandates
- “United National Movement” - 11 mandates, including 1 majoritarian mandate
- “Gakharia for Georgia” - 4 mandates

Compared to the previous convocation of the City Council, the number of women members in the Council increased from 4 to 10, accounting for 28% of the total membership. If only one woman held a position in the City Council of the previous convocation, today there are three women in the Council - [Maia Dolbaia](#), the first deputy chairperson of the City Council; [Nana Vekua](#), Chairperson of the Social Affairs Commission and [Darejan Tskhvitaria](#), Chairperson of the “United National Movement” faction.

During the tenure of the Poti City Council, the following **commissions** were established:

1. Legal, Mandate Issues and Ethics Commission (Chairman- Nika Korshia)
2. Finance and Budgetary Commission (Chairman- Temur Dundua)
3. Social Affairs Commission (Chairman-Nana Vekua)
4. Property Management and Natural Resources Commission (Chairman- Tornike Kharchilava)
5. Spatial-Territorial Planning and Infrastructure Commission (Chairman Beka Morchiladze)

There are 3 factions operating in the City Council:

Faction	Chairperson
Georgian Dream-Democratic Georgia	Sandro Kushashvili
Poti for Georgia	Gigla Turkia
United National Movement	Darejan Tskhvitaria

The chairman of the “Georgian Dream-Democratic Georgia” faction has 6 deputies, the chairman of the “United National Movement” faction has 3, and the “Poti for Georgia” faction - 1.

In total, 22 of the 35 members of the City Council of Poti are officials. A [table](#) with detailed information is provided.

General Statistics:

Throughout the reporting period, a total of **14** City Council sessions were conducted. Notably, there was a significant decrease in the number of extraordinary sessions compared to previous years, with only **2** out of the **14** sessions being classified as extraordinary. There were no interruptions in any City Council sessions due to a lack of quorum. Additionally, during the same period, the Bureau held a total of 14 sessions.

During the reporting period, Poti City Council adopted **53** resolutions, 42 of which were authored/initiated of the Mayor, and **11** resolutions were issued by separate commissions of the City Council.

The supervisory body formulated three conclusions on the legal acts of the Poti City Council, all of which were subsequently shared by the City Council.

CHAPTER 3: IMPORTANT DEVELOPMENTS

Changes in the composition and factions of Poti City Council:

On January 11, 2022, Gvantsa Gvadzibia, a member of the City Council, was removed from the proportional list of the “Georgian Dream” based on a personal statement. In her place, Salome Tsulaia took over and commenced exercising the authority as a member of the City Council starting from January 31, 2022.

From October 2022, Zviad Miminoshvili, representative of the “For Georgia” party, became a member of the City Council, he replaced the deceased member, Mamuka Gvasalia. Zviad Miminoshvili took the position of the deputy chairman of the “Poti for Georgia” faction, and former deputy, Gigla Turkia became the chairman of the faction.

Gratuitous transfer of property to the state:

During the reporting period, the City Council of Poti gratuitously transferred the following pieces of property to the State:

- Poti Theater building and the land on which it is located (August 9, 2022);
- VOLKSWAGEN PASSAT vehicle owned by Poti Municipality - registration number EE099HH (August 9, 2022);
- Three plots of land in Poti, located on Tavdadebuli street (September 23, 2022). Later, this plot should be transferred to the National Environment Agency with the right of use;
- Non-agricultural plot of land with an area of 900 sq.m. located in Poti, Kostava street 1, near the Public Service Hall (April 19, 2022);
- Non-agricultural plot of land with an area of 4279.00 sq.m. located on Baratashvili Street in Poti. (April 19, 2022).

CHAPTER 4: ACTIVITIES OF THE COMMISSIONS AND FACTIONS OF THE CITY COUNCIL

Activities of the Commissions of the City Council:

In 2022, the five permanent commissions of the Poti City Council held a total of 65 sessions. No commission session was interrupted due to the absence of a quorum. In total, the commissions presented 170 draft legal acts to the City Council.

The number of sessions of the City Council commissions in 2022				
Legal, Mandate-Procedural Issues and Ethics Commission	Spatial-Territorial Planning and Infrastructure Commission	Finance and Budgetary Commission	Social Affairs Commission	Property Management and Natural Resources Commission
11	11	17	14	11

Number of draft legal acts submitted to the City Council by commissions				
Legal, Mandate-Procedural Issues and Ethics Commission	Spatial-Territorial Planning and Infrastructure Commission	Finance and Budgetary Commission	Social Affairs Commission	Property Management and Natural Resources Commission
30	23	15	0	49

Activities of the factions of the City Council:

Three factions worked in Poti City Council in 2022: “Georgian Dream-Democratic Georgia”, “United National Movement” and “Poti for Georgia”.

The faction “Poti for Georgia” did not have an initiative. The “Georgian Dream-Democratic Georgia” faction had only [five initiatives](#) and all five were reflected in Poti’s 2022 budget. The “United National Movement” faction had only [one initiative](#) - “On the creation of a temporary working group and approval of the personnel composition regarding the compliance audit report of Poti Municipality’s activities for 2019-2020 by the State Audit Office”, and it was not shared.

Despite the minimal level of activities carried out by the factions, the expenses allocated for their operation were disproportionately high, reaching a total of **416,286** GEL, In detail:

Expenditures incurred on the activities of factions in 2022 (in GEL)		
Telephone Communication	Fuel Expenses	Payroll
6,683	40,010	405,588

CHAPTER 5: CONTROL OF THE BODIES ACCOUNTABLE TO THE COUNCIL

According to the Local Self-Government Code, City Council exercises the oversight function over the activities of the municipality's executive bodies and their officials, listens to and evaluates their reports¹, and the mayor is accountable to the City Council and the population.²

In 2022, the Poti City Council received and positively assessed the report from Poti City Hall services, along with the reports submitted by various individual legal entities. During the same period, the City Council invited representatives of the executive body 17 times to discuss individual issues. 13 members of the City Council addressed the Mayor of Poti with questions about certain issues.

During the reporting period, the Poti City Council endorsed all the issues put forth by the mayor. In contrast, in 2020, the City Council did not support three issues proposed by the mayor.

The City Council of Poti did not uncover any instances of misconduct, conflicts of interest, or official incompatibility in the activities of the Mayor. Also, according to the information provided by the City Council, there were no instances of violations identified related to official incompatibility or conflicts of interest among its members during the reporting period.

However, the results of the research published by "Transparency International-Georgia" and the conclusions of the "State Audit Office" prove the opposite:

In 2022, Transparency International Georgia published [a research](#) about the gaps identified in municipal legal entities, which showed that there are legal entities operating in Poti municipality where functions are duplicated with one another or with other agencies of state or local self-government bodies; In the management and administration of individual legal entities, an unreasonably large number of staffing positions have been created; Several N(N)LEs have been created for the provision of one type of service, mainly in the areas of sports, education, and culture;

The challenges related to the legal entities are discussed in the [audit report](#) prepared by the "State Audit Office". Despite recommendations from both "Transparency International-Georgia" and the Audit Office, the City Council did not adopt or implement the available control mechanisms within its operations. Moreover, the City Council rejected the proposal put forward by the "United National Movement" faction to establish a working group specifically addressing the report of the State Audit Office.

1 Sub-paragraph G.A, Paragraph 1, Article 24 of the Local Self-Government Code.

2 Paragraph 2 of Article 48 of the Local Self-Government Code.

CHAPTER 6: INCOMPLETE ASSET DECLARATIONS AND ALLEGED CASES OF NEPOTISM

A total of 22 officials within the Poti City Council, including the chairman of the City Council, deputy chairmen of the City Council, chairmen of the commissions, chairmen of the factions, and deputy chairmen of the factions, are obligated to complete asset declarations.

The quality of filling in declarations has increased, and in 2022 only one official filled out a declaration with errors.



Tornike Kharchilava

Chairman of Spatial-Territorial Planning and Infrastructure Commission

In his [asset declaration](#) filled out in August 2022, Tornike Kharchilava mentioned that he is a 40% shareholder at “[Potigalvanizmetal](#)” LLC, however, he did not transfer the share to another person with the right of temporary management, which is the violation of the [Law](#). According to Kharchilava’s declaration, he claimed to have transferred the share to another person for management. However, the public registry’s data does not indicate any record of such a transfer of the share.

Through the analysis of the declarations submitted by officials of the Poti City Council, it has been determined that in two instances, family members of the City Council officials are employed in municipal agencies. Specifically:

- Temur Dundua’s father, the chairman of the Finance and Budget Commission of the Poti City Council,
- Tengiz Dundua, father of [Temur Dundua](#), the chairman of the Finance and Budget Commission of the Poti City Council, is the head of the department at the “Cemetery Maintenance Center of the City of Poti Municipality”. And Temur Dundua’s wife, Buta Natsvlishvili is the senior specialist of “Poti Municipality Service Center”
- Nino Chochua, the wife of [Nikoloz Izoria](#), deputy chairman of the faction of the Poti City Council, “Georgian Dream-Democratic Georgia”, is the senior specialist of the Sports and Tourism Center of Poti Municipality.

Unlike the process of appointing civil servants, employment in municipal legal entities does not typically involve a competitive selection process. The Mayor unilaterally appoints the head of the N(N)LE or LLC, accordingly the head of the N(N)LE also takes a unilateral decision about the staffing. This practice, on the one hand, does not allow for the selection of a highly qualified specialist for a vacant position through a competitive process. On the other hand, employing individuals without a competitive process raises concerns about whether their qualifications align with the positions they hold. This practice carries the inherent risks of nepotism and party-based employment within budgetary organizations. This matter should be actively discussed by the City Council, as it is crucial to address not only other issues within legal entities but also problematic employment practices. Proper regulations are needed to curb such practices and ensure fair and transparent employment procedures.

CHAPTER 7. INVOLVEMENT OF THE MEMBERS OF THE COUNCIL IN THE COUNCIL'S ACTIVITIES

The [Rules of Procedure](#) of the City Council of Poti do not specify what kind of absence from a session by a member of the City Council is to be considered as absence without a valid reason. The Rules of Procedure rely on a [provision](#) of the Local Self-Government Code, according to which the powers of a member of a municipal/city council are to be prematurely terminated if he/she has not participated, without a valid reason, in the work of the municipal/city council for six consecutive months.

Participation in sessions of the City Council:

There were 50 absences of members of the City Council from the Council's sessions in 2022, including 46 absences without a valid reason.

Among the members of the City Council, Mikheil Firtskhalava from the "United National Movement" faction had the highest number of absences without a valid reason, missing a total of **9** sessions. Additionally, Darejan Tskhvitaria, the faction's chairperson, had **8** absences, while Paata Chaganava, the faction's deputy chairman, had **7** absences, ranking them among the leaders in terms of session absences;

See detailed information in the [annex](#).

Participation in sessions of the City Council's commissions:

Members of the City Council had 113 absences from sessions of commissions, including 124-absences without a valid reason.

Paata Chaganava, the chairman of the "United National Movement" faction, holds the highest number of missed commission sessions among the city council members without a valid reason, totaling **27**. Lasha Rukhaia, a member of the same faction, has recorded 14 absences without a valid reason from the commission sessions. Additionally, Darejan Tshitaria, the faction's chairman, has accumulated 12 absences, placing them among the leaders in terms of absences without valid reason from the commission sessions.

See detailed information in the [annex](#).

The frequency of speeches and reports delivered during the sessions of the City Council

In 2022, among the 35 members of the Poti City Council, 11 members refrained from exercising their right to speak, while 27 members did not present their reports.

See the table for detailed [information](#) on silent members of the City Council.

As for presenting a report at the City Council sessions, only 11 out of 35 members presented a report, and 27 members of the Sakrebulo did not use this right.

See the table for detailed [information](#).

CHAPTER 8. CITIZEN ENGAGEMENT IN THE CITY COUNCIL'S ACTIVITIES

The City Council of Poti has adopted all the regulations that ensure citizens' involvement in the activities of the municipality, including those of the City Council:

- Although the typical regulation of the general assembly of the settlement was approved, the **general assembly itself has not yet been conducted in Poti Municipality**. As a result, **citizens have not had the opportunity to benefit from this mechanism of engagement**;
- The electronic system for submitting petitions has been introduced. However, **no petition was registered** in Poti City Council during the reporting period;
- Citizens can also electronically submit a concrete initiative to the municipality, as well as request desired information by means of the website;
- The City Council of Poti has established a special rule, according to which a citizen has the right to apply to the City Council 2 days before a council session and register as a speaker or co-speaker and/or make a special statement at the session, although this rule does not limit a citizen's ability to do the same without registration;
- Sessions of the City Council are broadcasted through the social network;
- Officials of the City Council of Poti submit their activity reports twice a year, whereas the Local Self-Government Code only establishes the obligation to submit the report at least once a year;
- The City Council holds public discussions of budgets together with the City Hall;

CHAPTER 9. ACTIVITIES OF THE GENDER EQUALITY COUNCIL

Gender Equality Council in the City Council of Poti, both in the previous period and in 2022:

- **has not analyzed** a single legal act
- **has not provided expertise** on the draft legal legislative acts

No statements, documentation, or any other information regarding the violation of gender equality were reported within the Poti City Council;

As per the Poti City Council, the Gender Equality Council is preparing to present an activity report to the City Council. Additionally, the City Council is expected to approve the work plan of the Poti Municipality Gender Council for the period of 2023-2025 in the near future.

CHAPTER 10. EXPENDITURES OF THE CITY COUNCIL OF POTI

Salaries and bonuses:

In the Poti City Council, in 2022, the paid wages amounted to **1,343,413** GEL. During the same period, no bonuses, awards, or supplements were granted to the officials of the Poti City Council. A bonus of **24,700** GEL was awarded to certain civil servants during that period.

Salaries and bonuses at the Poti City Council of Poti (in GEL) in 2022	
Public Officials (28 persons)	708,736
Employees of the City Council office (16 persons)	354,210
Employees in the City Council office with a labor contract (19 persons)	280,467
Sum	1,343,413

Detailed information regarding the salaries paid to officials of the Poti City Council in 2022 can be found in the provided [table](#).

Business Trip Expenses:

In the reporting period, a total of **8,443** GEL was spent on business trips of Poti City Council members and office staff, both within the country and abroad.

Telephone communication expenses:

Poti City Council spent **6,683** GEL on telephone communication in 2022.

Reimbursement of expenses of members of the City Council:

The Local Self-Government Code provides for the possibility of reimbursement of expenses associated with the exercise of powers by those members of the City Council who are not officials and, accordingly, do not receive remuneration. Such expenditure in the Poti City Council in 2022 amounted to **105,134** GEL.

Vehicle and fuel expenses:

The City Council of Poti has 1 vehicle on its balance sheet, "Kia Seltos", which is released in 2022 and was purchased by the municipality in June 2022 for **65,000** GEL.

Before that, another car - Volkswagen Passat - was registered on the balance sheet of Poti City Council.

In 2022, the cost of car repairs amounted to **6,855** GEL.

Fuel purchased from the local budget is used only by the public officials of the City Council. Specific fuel limits are set for each of them. The Chairperson of the City Council has the largest limit – 600 liters per month, while the limits for other officials amount to 70 liters.

In total, Poti Sakrebulo spent **31,633 liters** of fuel in 2022, the cost of which amounted to **102,159** GEL. For comparison, Poti City Council spent **16,366 liters** of fuel in 2020, with a total cost of **33,043** GEL.

The City Council 31.6 tons of fuel at a cost of 102,159 GEL. Out of the total fuel quantity, 18% (equivalent to) was consumed by

Aleksandre Tkebuchava, the chairman of the Poti City Council, used **5,702 liters** of fuel in 2022 at a cost of **18,799 GEL**, which represents **18%** of the total fuel consumption of the City Council. For comparison, the Former chairman of the City Council, Beka Vacharadze spent up to 4 tons of fuel (3,896 liters) in 2022 with a total cost of 9,530 GEL.

RECOMMENDATIONS:

Exercise of control/oversight:

- There is a need for increased involvement of Poti City Council members in oversight activities. Specifically, they should utilize control mechanisms more actively and take effective measures to monitor public procurement processes and large infrastructure projects;
- The standing commissions of the City Council should play an active role in overseeing the activities of executive bodies;
- The City Council should facilitate the creation of temporary working groups to conduct transparent studies into all matters that raise concerns or uncertainties;
- The City Council must exercise its authority and invite an independent auditor;
- The City Council should diligently and proactively work towards identifying cases of conflict of interest, incompatibility with public office, and violations of the Rules of Procedure of the City Council and ethical norms within the municipality.

Accountability:

- Significant improvements should be made in enhancing the attendance of City Council members at both council sessions and its commissions. It is essential for every member to demonstrate responsibility by actively participating in sessions. Moreover, a thorough analysis of the reasons behind both valid and invalid absences of each member should be conducted, followed by the implementation of appropriate measures to address the issue effectively;
- It is crucial for City Council members to actively exercise their right to speak during the sessions and commission meetings, express their opinions on the topics under discussion, provide insights into the specific needs of citizens to both the City Council and the City Hall.

Activities of the factions:

- It is important that the activities of factions be beneficial for the local Self-governments. Factions should get actively involved in the process of considering and deciding on issues that fall under the powers of the City Council; study/control the activities of the City Hall and municipal legal entities; submit initiatives to the City Council; get actively involved in the budgeting process; etc. Factions increase citizens' involvement in self-government activities to a considerable extent, as well as support local initiatives and advocate for citizens' needs and problems. Therefore, we call on the factions to use the above-mentioned instruments actively.

Expenditures of the City Council:

- Ensuring that the expenditures of the City Council align fully with the powers granted to it by legislation is of utmost importance;
- The City Council should implement rigorous oversight over administrative expenditures, not only within the representative body but also across the municipality as a whole. It is crucial to prioritize the economical spending of financial resources and ensure responsible financial management.

Petition:

- The legislation grants self-government bodies the authority to [reduce](#) the required number of signatures for petition filing to any desired amount. The Local Self-Government Code sets an upper limit of 1%, which can be challenging to adhere to, particularly in municipalities with a large number of citizens;
- Since no petitions were registered at the City Council during the reporting period, it is advisable for the City Council of Poti to consider reducing the lower limit of the required number of signatures. Setting it at 0.5% instead of 1% would facilitate the petition preparation process for interested individuals, making it more accessible and manageable.

General Assembly of the Settlement:

- According to the Local Self-Government Code, the general assembly of the settlement is one of the major mechanisms for ensuring citizen participation in the local self-government. The general assembly can be convened both by constituents and the mayor of the municipality – on his/her own initiative or upon the motion of the municipal/city council;
- Considering that the general assembly of the settlement has not been convened in Poti thus far, it is crucial for the City Council to take the lead in activating this participatory mechanism. The City Council should initiate the process by submitting a motion to the Mayor, urging the organization of the assembly. Holding the general assembly of the settlement is essential for effective budget planning in the municipality, providing an opportunity to gather input and perspectives from the community for each subsequent year.