

MAY 25, 2010

## IATF Report on Pre-election Campaign

**The Georgian authorities are committed to the highest standards of democracy and to the organization of fully free and fair elections.**

**The Georgian Inter-agency Task Force on Free and Fair Elections (IATF) acknowledges the watchdog-role played by Georgian civil society groups and welcomes their engagement during the election period.**

**The IATF will continue to work closely with political parties and observer organizations, and welcomes the reports produced by election watchdogs. The IATF continues to welcome dialogue on all issues connected to the election period.**

### OVERVIEW & INTRODUCTION

---

In his “Address to The Nation” on February 26, 2010, President Saakashvili warned civil servants and gave strict instructions to obey electoral legislation. Similar statements have been made by, among others: the Speaker of Parliament, David Bakradze, at a Parliamentary meeting on April 12; Prime Minister Gilauri at a government meeting on May 5; the Minister of Education on April 21; the Minister of Internal Affairs in his TV interview regarding the neutrality of police in political affairs, as well as in his interview to “24 Hours” newspaper on May 5; and Mayor Ugulava in a written article on April 12. These statements have been meant to send a very strong public signal to all Georgian authorities and other stakeholders, and to thus minimize abuses and other problems related to the election.

The IATF was established to help enable a transparent and fair environment for the May elections. The IATF conducts regular meetings with local and international observer organizations and political parties in order to gather information on any possible violations during this election campaign. All concerns raised during these meetings, or in reports offered by civil society organizations, are thoroughly checked by the IATF. The IATF responds to each incident related to the use of administrative resources, the intimidation of candidates or voters, or any other violation of election standards. In cases where charges can be verified or upheld, the IATF makes recommendations to appropriate state agencies on steps that should be taken to address these violations. In the case of any complaint, the IATF contacts all sides in order to gather information and ensure all parties are clear that a complaint is being investigated.

### Summary of the IATF’s actions on electoral violations to date

To address concerns expressed by various organizations and political parties, the IATF made statements regarding general issues. It also issued recommendations and, in a number of cases, sanctions have been imposed following these recommendations:

- Following the consultation with political parties, the IATF recommended that the Prime Minister’s Office issue a statement, especially for civil servants, demonstrating that any

violations of the electoral legislation designed to disrupt electoral procedures or falsify election results will be thoroughly investigated and punished by authorities. The video clip of Prime Minister Gilauri's May 23 address is regularly rebroadcast on major TV stations. (*see annex*)

- To address the alleged information regarding the **pressure on the candidates** or voters from law-enforcement agencies, IATF spokesperson Eka Zguladze (Deputy Interior Minister) made a special statement on this issue on May 12 that outlined the following:

Civil servants and particularly law enforcement agents, whatever their political views, were instructed to distance themselves from participation in the electoral political process since their reactions and activity could be interpreted as pressure. In the case of any complaint, whether a violation gets confirmed or not, the IATF contacts both sides in order for everyone to be clear that a complaint is being investigated. Individuals should feel protected from any such pressure.

- There was alleged information about **pressure on families of prisoners**. Specifically, the families of prisoners were tasked with collecting signatures along with personal identification numbers and other personal information of supporters of the National Movement in exchange for their release. While the IATF could not concretely verify any of the alleged cases, IATF spokesperson Eka Zguladze made a special statement on this issue on May 12:

*"I am authorized to state on behalf of all law-enforcement and penitentiary structures that such practices will not be allowed. Similar rumors existed during the last election, as well, and afterward proved to be untrue. So I appeal to all parties, whether it be those pursuing a private initiative for a family member or a promise offered to you by an official—don't be fooled by false promises. No amnesty or parole will be granted in return for supporting any political party."*

Gocha Shilakadze, chief of staff for the head of Ozurgeti administration, and Shukri Gabrichidze, representative of an Ozurgeti territorial body, were mentioned by TI in the report; they also made appropriate statements during a press conference with local media. This press conference was covered by local TV station in news program "Fact" on May 18, as well as local newspapers "Guria News" (on May 20), "Guriis Moambe" (on May 20) and "Alioni" (May 24).

- IATF thoroughly checked the information regarding the **pressure on the potential recruits** to the army. This inquiry did not provide specific information to confirm these allegations; however, considering the potential threat of prejudice and misperception such a situation may cause, especially in small communities, the IATF requested that the responsible central agency give clear instructions to regional offices. Furthermore, the Deputy Minister for Regional Development and Infrastructure responsible for the draft made a special public statement, emphasizing:

*"Never have students been drafted before graduation, and it is also impossible for graduates to be drafted before taking part in the national examinations for higher education. Currently, no draft is underway; the next one is planned in September after the official results of the national examinations are announced. All concerned must know that these are rumors or attempted intimidation that should not be feared. Any local units that could potentially be involved in the draft have been warned that if any instance of such intimidation is confirmed, the public official concerned will be held accountable."*

- The IATF also investigated information regarding **pressure on school teachers**. The IATF verified that no teachers have been fired from their jobs during the election period and made a public statement clarifying that public servants within the education system could not be dismissed for their political beliefs or those of their relatives. When the campaign period began, the Ministry of Science and Education strictly warned all high school directors and heads of other structures in the educational system not to permit any campaigning to take place at schools or other educational institutions. This statement was made by the Minister of Education on April 21 and reiterated during the IATF official briefing on May 12.
- IATF spokesperson Eka Zguladze, in her statement on May 12, also addressed the concerns of local observing organizations regarding the **use of administrative resources**. She noted that following IATF recommendations, the local authorities in all regions of Georgia have received the instructions. Governors, heads of administrations and other individuals whose participation in the political process is allowed by law must leave their official positions and/or go on leave in order to support campaigns. During this period, and use of administrative resource by them, such as offices, cars, and particularly the local budget, is strictly prohibited.
- Various political parties and observer organizations were concerned about **the use of state programs for election campaigns**. Acting on a recommendation from the IATF, Tbilisi Vice Mayor David Alavidze made a statement on May 12 clarifying that projects currently directed by the Mayor's Office cannot be changed based on particular election results in districts or precincts in Tbilisi. The Mayor's Office serves all Tbilisi residents regardless of political affiliation.
- ISFED also reported that social agents were agitating for UNM and telling socially vulnerable families that they will not receive social aid if they do not vote for the UNM. While the IATF could not concretely verify any of the alleged cases, it recommended that the Ministry of Labor, Health and Social Affairs of Georgia to take the information provided by ISFED under advisement. Prior to the election period, the Ministry of Labor, Health and Social Affairs stopped all activities connected to the collection of data among socially vulnerable families in order to prevent abuses. After the IATF recommendation, the Minister of Labor, Health and Social Affairs gave instructions to social agents to restrain themselves from participating in election campaigns. The statement was made by Minister Kvitashvili on May 25.
- Political parties raised the issue of the special election precincts where employees of MIA and MOD are voting. Lists provided to the CEC from these ministries were considered confidential. After consultations with lawyers, the IATF recommended to the Ministries that these lists be available publicly. This information is now available for all interested parties upon request.
- There were several cases when organizations or political parties provided the IATF with information regarding pressure on candidates. Regarding GYLA's information regarding pressure on the representative of the political party "Our Georgia-Independent Democrats," the IATF recommended to the Ministry of Internal Affairs, even before the conclusion of an investigation, to suspend the officials mentioned in the report. Bukhuti Chkhaidze, who works for the MIA and is mentioned in the GYLA report, has been suspended from office until the details surrounding this incident can be clarified.
- The IATF thoroughly checked the information regarding pressure on the candidates in Mestia. An IATF representative visited the region and met all parties. Based on the information received,

the IATF recommended that the main prosecutor's office open an investigation of the case. The investigation is underway.

- The IATF reacted to the case reported by ISFED that in the public school of the village "Okruashvilebi" (Khulo district), UNM candidates held pre-election meetings at the school during teaching hours. The IATF recommended to the Ministry of Science and Education to investigate this case. Following a review of these charges, the Ministry dismissed the school director responsible for the violation.
- The IATF checked the information regarding the collection of ID numbers in village Karajala. The IATF's inquiries revealed that a certain number of ID cards were collected among socially vulnerable persons in order to facilitate humanitarian aid by humanitarian organizations. This event was not connected to the election campaign, but the IATF has warned the local administrations not to use such practices in the future.
- The IATF responded to TI concerns regarding the participation of candidates in presenting medals to commemorate the 65<sup>th</sup> anniversary of the end of World War II. Despite the fact that these events could not be directly associated with an election campaign, the IATF recommended to the President's Administration of Georgia, as well as local administrations, not to hold the planned ceremonies to award gifts to different groups of society on Georgian Independence Day (May 26) because of the campaign period. Consequently, these ceremonies have been postponed.
- A distribution of computers to school pupils in Batumi by the President as part of the program "A Computer for Every Child," originally planned for May 21, was cancelled following a recommendation from the IATF that this event be postponed until after the election period.

The following sections address additional specific allegations and IATF reactions to them.

## **PRESIDENTIAL STATEMENT ON ADMINISTRATIVE RESOURCES**

---

- **(TI Statement)** *Asked about the local elections during his official visit to the United States on 15 April 2010, the Georgian president said: "we intend to use all kinds of resources [in order] to improve the people's lives regardless of whether or not they are going to say that we are misusing [administrative resources]. Yes, we are misusing them but we are still going to do this and I believe that it is legal."*

***IATF response:*** We believe that the words of President Saakashvili were taken out of context. In his speech to the Atlantic Council and in the Q&A that followed—from which the above cited quotation is taken—the President clearly states that what Government of Georgia intends to do is to deliver on its political promises and continue to bring prosperity and development to Georgia and its people—work that cannot be suspended every time there is an election. This is evident in the longer excerpt below:

*That's the good news and there are some other things like a limitation on abuse of administrative resources—although I have to say, there will always be a bunch of experts from abroad, who would say, oh, you should stop all this road-making and school-building and bridge-building and health-care changes and new hospitals and all kinds of stuff because it's helping the government; it's like spending budget for electoral needs.*

*I wonder how mayors of the city of Chicago win their elections? I state clearly to every foreigner, forget it—we will build bridges, we will build roads, we will build schools, we will make sure that people have nicer municipal infrastructure environments, they have nicer health care, they have better schools for their kids and maybe they'll vote for us because of that but that's their decision because we take blame for everything that's not good in Georgia and of course it's 100 times more than what is good in every people's mind. At least we should claim credit for whatever is left.*

*I don't think anybody can criticize us on media or anybody but I've seen some critics already and I can guarantee there will be critics later because we built in the last one year more bridges, more roads, more schools, more hospitals in Georgia than had been built for the last year, basically, than had been built in Georgia for the 30 years before that, including the Soviet period.*

*And next year, we'll build even more or private sector will, of course, build most of it. But I don't distinguish those two. The more private sector does, more I'm happy and I still say "we" because that's basically what our government is all about: to have a small government and give the priority to the people's own initiative.*

*I was reading these days again Thomas Jefferson and he said what government's function is that government should take care that citizens don't harm each other but otherwise create conditions where they have full freedom for their initiative and whatever they can do and that's exactly our philosophy on government. We try to do things but on the other hand, more and more space is allocated for citizens. We decrease taxes; we have really put the act in the pipe that taxes can only be raised from referendum, public spending will be limited.*

*And that's not because of elections but because we want to give more freedom to business. But again, people will criticize. The only criticism I can assure we'll get is when – administrative resources abuse but we are going to use whatever resource we have to improve people's life, even if they say we are abusing it. Okay, we are abusing it but we'll still do it. But I think it's legal. Otherwise, we'll make sure everything else goes well.<sup>1</sup>*

As for the use of administrative resources, President Saakashvili, in his address to Parliament in February 2010, clearly warned civil servants against the use of administrative resources:

*"I want to categorically warn all civil servants that they must guarantee elections to be held in the absolutely free and democratic environment. This is an issue of national security and national*

---

<sup>1</sup> <http://www.acus.org/event/georgian-president-saakashvili-transforming-georgia/transcript>

*honor. I have made a promise that we would make stricter the law on banning of the use of the administrative resource and this promise has been fulfilled.”<sup>2</sup>*

## ANNOUNCEMENT OF ELECTION DATE

---

### Statement

- **(TI Statement)** *According to the Georgian Constitution, the president is to call the date of elections at least 60 days in advance. Much like 2006, the president effectively waited until the very last day of this limit and called the date of the local elections 61 days in advance, even though he had made the first public statement on holding the elections on 30 May as early as during the presentation of his report to parliament on 20 July 2009.*

*A timely announcement of the election date was among the main recommendations that the Georgian and international observer organizations had made. The question is important, first and foremost, because the date of elections is linked to official commencement of the campaign and the pre-election restrictions take effect once the date is announced. Knowing the exact date of elections also creates equal conditions for political parties as it provides them with more time to plan their campaigns properly.*

### IATF Response:

The election date was announced 10 months before the elections: one can hardly pretend that it was not “timely” and that it may have resulted “in unequal conditions for the political parties”.

The President had clearly indicated in July 2009 that the local elections would take place on May 30, 2010. A long and public process was begun in 2009 to ensure that elections would take place on May 30 elections. The President not only had announced the date of the local elections in 2009, but related amendments to the constitution were submitted to Parliament on December 1, 2009. The first hearing on these in Parliament was held on December 15 and the process finished with the adoption of the amendments on February 12, 2010. The necessary amendments to the Electoral Code were adopted March 12.

## BUDGET RESOURCES & SOCIAL PROGRAMS

---

### Statement:

- **(GYLA Statement)** *The expenditures of the Tbilisi state budget were planned in amount of GEL 512.7 mln, exceeding expenditures of the previous year by GEL 26 mln. However, on 22 February 2010 the budget was amended and expenditures increased to GEL 570.8 mln, exceeding expenditures of the previous year GEL 84.0 mln.*

---

<sup>2</sup> <http://president.gov.ge/?l=G&m=0&sm=6&st=0&id=3209>

*Transfers to Tbilisi budget from central government is Gel 521 mln exceeding Gel 131 mln to the transfers from the previous years.*

**IATF Response:**

The level of balance (equalization) transfers is determined using a fixed formula defined in the Organic Law on Local Self-government from 2010. While this year it constitutes 61.8 % of the whole national balance (equalizing) transfer, in 2009 it constituted 55.3% and in 2008 it was 70.6% of the whole national equalizing transfer. The amount of the transfer cannot be manipulated, since it is based on this fixed formula.

The expenses of the Tbilisi government are GEL 726.9 million (not 512.7 as GYLA report says). GEL 521 million includes all transfers from the central government. However, to balance this increase, the amount of the special transfers in 2010 is decreased in comparison with 2009 by 72.1 million lari (from 268.7 million lari to 196.6 million lari). Below, the IATF analyzes the entire sum of the transfers allocated for Tbilisi to show that there was not a significant increase in funding for the Tbilisi budget in 2010. Tbilisi received 53.8% of the total transfer from the state to local governments in 2010, which was not a significant increase from previous years (See Table 1)<sup>3</sup>.

	2008 <sup>4</sup>	2009	2010 plan
Total sum allocated for local governments from central budget	706.3	847.2	967.9
Total sum allocated for Tbilisi from central budget	362.8	423.3	521
Percent of total sums allocated from central budget for Tbilisi	51.4%	50.0%	53.8%

*Table 1: Financial assistance to Tbilisi*

This growth is not significant given that the two most important projects begun in 2009 (the construction of the Vake bypass road and the construction of the Rikhe Park) were partially financed from the budget of Tbilisi. Both projects were announced and launched at the beginning of 2009, not in anticipation of the May 2010 local elections.

<sup>3</sup> State Budget Execution reports for 2008-2009 and State Budget Law for 2010, from [www.parliament.ge](http://www.parliament.ge)

<sup>4</sup> 2008 is without GEL153.1 million allocated to address the consequences of the August war

There are other objective factors that contribute to Tbilisi receiving the largest portion of state transfers: Tbilisi is the biggest city in Georgia, with a population of approximately 1.3 million. It has the highest concentration of economic activity, which in turn requires significant public expenditures.

**Statement:**

- **(TI Statement)** *As noted in the first report, under the order No 40 adopted on 13 January 2010, the Georgian government allocated 66m lari for the local self-government units from the Regional Development Fund. Naturally, the local self-government units had not incorporated these funds in their budgets for 2010. The government order therefore led to amendments to the municipal budgets and the allocated funds were reflected in the revenue and expenditure sides of the budgets.*

*The local self-government units also amended their budgets independently. In March alone, the budgets of 41 of the total 61 municipalities were amended, some of them on multiple occasions (a total of 44 amendments).*

**IATF Response:**

The practice mentioned by TI is not different from budgetary practices of previous years. Numerous amendments in the budgets of local administrations are standard practice to account for ongoing transfers for new projects. For example, in the 1<sup>st</sup> quarter of 2009, there were 117 amendments in total.<sup>5</sup> Amendments to local budgets are the result of finances being directed to them from the state budget for various projects. For example, in 2010, by Decree N40 of the Government of Georgia of 13 January 2010, 56 municipalities were given 66 million GEL from the state budget—specifically from the fund for infrastructure projects in the regions of Georgia; this transfer required at least 56 amendments in the budgets of the local territorial units. For the same purposes and from the same source, 55 municipalities were given 65.3 million GEL by Government decree N34 of 20 January 2009.

**Statement:**

- **(TI Statement)** *Compared to 2007-2009, in 13 self-government units, there was a considerable increase in the employee numbers and, in most cases, salaries too (10 municipalities) in 2010. For example, the budget of Gori was amended twice in 2010 whereby both the staff numbers and salaries rose. In the majority of municipalities, administrative expenditures of the local administration's representatives in villages also increased in 2010. The staff numbers grew before the 2008 parliamentary elections too, while (with some minor exceptions) there was effectively no increase of this type in 2009 (a non-electoral year).*

**IATF Response:**

---

<sup>5</sup> From decrees of the Local administrations collected by MoF

In 2009, the number of employees in the territorial units (except the autonomous republics) totaled 7,930 individuals. In 2010 this number grew by 536 to 8,466 individuals. This is less than a 7% increase and it is not “considerable” as stated by TI, especially compared to the growth in the previous years. Moreover, this increase was due to the decentralization policy and particularly to the doubling in funding for the Support for Villages program in 2010. Additional employees were needed to implement these projects, and thus expenditures for salaries rose accordingly. The organization of elections, either local or national, should not prevent the authorities from fostering further decentralization and from deepening the democratic process by bringing the decision process and the management of the resources closer to the citizens.

**Statement:**

- ***(GYLA statement)*** *Tbilisi government planned many social programs for 2010. The purpose of most of these programs was to financially assist certain categories of Tbilisi citizens.*

**IATF Response:**

The policy of assisting socially vulnerable sectors of society remains a top priority; this often means helping targeted categories of citizens. These programs are in line with the social policy of the Government to improve the welfare of all Georgian citizens and are not connected to the 2010 local elections. As an example of this assistance, please refer to the below list of social programs in 2007 and 2009 (non-election years).

**Selected 2007 Tbilisi Social Programs**

- Research and prevention of oncological diseases for the Tbilisi population
- Tbilisi ambulance program
- Financial aid program for socially needy families (GEL60 of aid yearly to cover communal payments)
- GEL200 financial aid for every newborn child for socially needy families of Tbilisi
- GEL10 financial aid for socially needy large families (4 or more children) for each member under 18 years old
- Payment of 50% of the telephone bills of socially needy families
- Free dining halls for socially needy persons
- The Tbilisi government organized holidays in mountainous or seaside health resorts for children with disabilities and from socially needy families
- Burial program for unclaimed deceased persons
- Financial aid program for citizens of Tbilisi over 100 years old
- Financial aid program to cover, partially or fully, the education costs for students from socially needy families
- Financial aid for the pensioners of Tbilisi from GEL2 to GEL10, depending upon their number of years in public or private service
- Program to provide care for socially vulnerable persons
- Social protection program for deaf-and-mute persons
- Program to build almshouses for elders and disabled persons
- Social aid for first-year pupils in schools
- Partial or full payment of municipal transport for select categories of society

#### Selected 2009 Tbilisi Social Programs

- Financial aid program for socially needy families to partially cover communal costs
- Financial aid program for socially needy families having 3-4-5 or more children (GEL600 for families with 3 children, GEL800 for 4 children, GEL1000 for 5 children and additional GEL200 for each additional child)
- Rehabilitation program for disabled children
- Financial aid program for citizens over 100 years old
- Program to provide socially needy persons with information regarding social-protection issues
- Burial program for unclaimed deceased persons
- Social aid program for war veterans
- Screening program for mammary diseases (with co-financing from the UN Fund)
- Immediate ambulance program
- Epidemiologic control program for contagious diseases
- Medical insurance-assistance program
- Program to provide deaf persons with translators/dactologs
- Program to provide Tbilisi pensioners with medicines
- Partial or full payment of municipal transport for different categories of society
- Partial payment of water supply costs for socially needy families
- Program to increase qualifications of the directors of the Tbilisi schools
- Program to provide first-year pupils with books free of charge

#### Statement:

- **(TI Statement)** *The budgets of some self-government units, office expenses are much higher before the elections than after. For example, the office expenses of the Lagodekhi administration's staff are 35,000 lari in the first and the second quarter but 15,000 lari in the third and the fourth quarter. The office expenses of the Lagodekhi territorial bodies are 20,000 lari in the second quarter and a combined 20,000 lari in the other three quarters.*
- **(TI Statement)** *The analysis of the budgets of local self-government units also makes it clear that some events are only financed in the run-up to elections and the funding is either reduced considerably or withdrawn altogether after the elections. (Ti provides several examples)*

#### IATF Response:

There is confusion in TI's report between the provisional quarterly budget and real quarterly expenditures. There is a widespread administrative practice every year to plan a much higher provisional budget for the first quarter of the year than for the 3 others; this allows a great level of flexibility, as the non-paid expenses of the first quarter can then be freely reassigned to the other quarters. Provisional expenses are therefore quite often front-loaded in budgets. However, this does not mean at all that real expenses are much higher in the first quarter than in the other quarters. In fact, often the opposite is true. Quarterly budgetary provisions and the timing of actual expenditures usually do not correspond. This is explained further in the example below.

According to TI, provisional spending on the rehabilitation and operation of street lighting in the amount of 98,100 lari is allocated mostly for March. In the following months, the amount of provisional spending is reduced to about 10,000 lari per month. These figures came from the provisional budget. Actual expenditures were only 2,000 lari as of May 1, i.e. only 2% of the annual provisional budget for this project. The majority of the funds will be allocated for the post-election period.

According to TI, provisional spending on infrastructure development between March and June 2010 amounted to 70 percent of annual spending. Of the 2,242,500 lari allocated for infrastructure, 1,578,700 lari were to be spent during these months. But as of May 1 (which corresponds to 1/3 of the year), actual expenditures on these activities totaled only 399,000 GEL (which is less than 1/5 of the total planned expenditures for the year). Again, the disbursement will be higher after the elections than before.<sup>6</sup>

According to TI, most of the sporting events will be financed in March and April (31,200 and 23,100 lari respectively in the provisional budget). The provisional spending is reduced to 5,000 lari per month afterwards. But as of May 1, only 4,000 lari have been spent. Most of this money will be available after the election.

These figures show that the real expenditures are not higher before the elections. It is actually the opposite: expenses will likely increase substantially after the elections.

#### **Statement:**

- **(TI Statement)** *Compared to 2007-2009, the funding for social, healthcare and infrastructure programs in the budgets of local self-government units has increased significantly in 2010 (with only a few exceptions, such as Ozurgeti, Vani, Chiatura and Ambrolauri).*

*A large share of social and healthcare programs are short-term or one-time (one-off issuance of medicines, one-off monetary benefits and so on). For instance, in 2010, the following activities are carried out by local self-government bodies with the purpose of improving the socioeconomic conditions of socially vulnerable families:*

#### **IATF Response:**

The equalizing transfer to be given to the local administrations from the national budget in 2010 was allotted according to the new formula defined by the budget code. The equalizing transfers have created additional financial resources for the local administrations that they can manage. This has caused an increase of financing by local administrations of social, infrastructural, or other programs, some new and some pre-existing.

It must also be noted that most of the programs cited existed in 2009 as well. It must also be underlined that the free bus-riding program in Telavi municipality was not started on 1 March

---

<sup>6</sup> Local Administration Budget for 2009-2010

2010. It existed in both 2008 and 2009 and its financing was respectively GEL 100,000 and GEL 70,000 —which is more than the program’s 2010 financing (GEL 50,000 ).<sup>7</sup>

**Statement**

- ***(TI Statement)*** *In 2010, local self-government bodies increased subsidies for local media outlets (TV and print media).*

**IATF Response:**

In 2009, allocations for TV, radio and print media from the budgets of local administrations (except the autonomous republics) amounted to 1,164,000 GEL. In 2010, spending of 1,218,900 GEL is planned for these purposes; this represents a growth of 4.7%, i.e. approximately the same as the GDP growth for 2010. This is not significant. Moreover, the money allocated for the local TV Dario and print media was not a subsidy but was used to pay for services such as non-election related advertisements.

## STATE PROGRAMS/RESOURCES AND ELECTION SYMBOLIC

---

**Statement:**

- ***(TI Statement)*** *In their campaign materials, the ruling party’s majoritarian candidates are using a logo with an inscription “I love Tbilisi” that was created as part of the so-called rebranding of Tbilisi paid for by the Mayor’s Office and was used during the presentations of projects funded by the Mayor’s Office.*
- ***(GYLA Statement)*** *The election slogan of the majoritarian candidates for the Tbilisi Sakrebulo from the “United National Movement” is “I love Tbilisi”. This is the slogan of Tbilisi Mayor’s office regarding the car parking system in Tbilisi. Consequently use by any party of this slogan could associate state programs with this political party for the voters.*

**IATF Response:**

While the “I Love Tbilisi” campaign was initiated by the mayor’s office, the logo and the campaign are not proprietary to the office. “I love Tbilisi” has become the symbol of the city and does not belong to any party—this symbol can be used by any party. It is used on some campaign materials, but it is not the slogan of the UNM candidates.

**Statement:**

- ***(TI Statement)*** *On the initiative of the Mayor’s Office Department for Monitoring Youth Affairs, the Kinomania +5 project was launched on 19 April and is set to continue until 1 July. As part of*

---

<sup>7</sup> Local Administration Budget for 2009-2010

*the project, students of state-funded higher education institutions will receive cards offering 5-lari discounts on tickets in the Amirani and Rustaveli cinemas.*

- **(GYLA Statement)** *On 19<sup>th</sup> of April 2010 the program “Cinema mania” has started. The students of the Universities were given discount cards for the Tbilisi cinemas. Using them students were given 5 lari discounts on the tickets. The number “5” in the red circle appeared on the Tbilisi official website as the logo of this program. GYLA considers this fact as the election campaign of the UNM taking into consideration that “5” is the number of UNM in elections. Election code of Georgia bans use of state funds to print and/or distribute such materials which has the number of the political party or candidate on it.*

**IATF Response:**

The IATF would like to thank TI and GYLA for having raised this issue. The IATF shares their assessment that this is an inappropriate usage of the ballot number and has recommended to the Tbilisi government that the Kinomania logo be changed or completely removed from the official web page of the Mayor. The Tbilisi Mayor’s Office took into consideration this advice and removed the logo from the official web site.

On 29 April, GYLA submitted an official complaint on this matter to the CEC. The CEC also considers this usage a violation and sent the case to the court. By the court’s decision, Tornike Khutsishvili, head of the division to monitor youth affairs in the Mayor’s Office, received a 1,000 GEL fine.

**Statement:**

- **(GYLA Statement)** *GYLA associates a program of the Tbilisi Mayor’s office, “Plan the City Budget Together,” with the election campaign. The Tbilisi mayor’s office initiated a survey of Tbilisi citizens to learn the most important problems citizens of Tbilisi are interested in. GYLA considers this program as part of the election campaign for the following reasons: 1) the survey was conducted in December and the results could not be known before 28 December, when Tbilisi Budget was adopted. Besides, when the survey started budget was already sent to Sakrebulo for discussion. 2) Last question of the survey was: “**What will you advise the Mayor**”. GYLA considers that the aim of this question was to evaluate attitude of questioned persons towards current Tbilisi Mayor. 3) Tbilisi mayor did not make it clear how the program influenced planning of expenditures in Tbilisi Budget.*

**IATF Response:**

This survey is not part of the election campaign, and the results of the survey are available to the public and as such any candidate can view and study them.

Additionally, regarding polling from the Mayor’s Office:

- The Mayor’s Office has been conducting such surveys to plan and evaluate its activities on a regular basis since the Rose Revolution.
- This survey was conducted 6 months before the election date. We do not believe it is appropriate or feasible for the Mayor’s Office to stop inquiring about the desires of the citizens of Tbilisi this far in advance of an election.
- The question “what will you advise the Mayor” was asked the same way in all previous surveys.

- When the mayor presented the budget to the Sakrebulo, he asked that opinion polls be conducted among Tbilisi citizens to help set budget priorities. Increasing citizen participation in determining the budget is a priority of the mayor's office, and this outreach effort will gradually improve.
- A questionnaire on next year's budget has already been prepared and can be viewed at: [www.tbilisi.gov.ge/budget](http://www.tbilisi.gov.ge/budget)

**Statement:**

- **(GYLA Statement)** *Tbilisi Mayor's office initiated agreements with private companies aiming to give concession to the certain categories of citizens:*
  - *Tbilisi Mayor's office signed an agreement with "Basisi bank", according to which the bank was involved in the program: "Start business with the help of the Tbilisi mayor's office".*
  - *Tbilisi Mayor's office agreed with company "Kazgaztrans" on restructuring of the debt for gas of the Tbilisi citizens.*
  - *Tbilisi Mayor's office agreed with company "Georgian Water and Power" on restructuring of the debt for water of the Tbilisi citizens.*

**IATF Response:**

Citizens expect the Mayor's office to address their concerns and improve their standard of living. The Mayor's office initiated many programs to address these concerns, including outreach to the utility companies to restructure utility debt so citizens can afford to pay the fees, and the encouragement of private lenders to offer small business loans to create employment. These programs were available for all of Tbilisi's citizens, not "a certain category" of them.

**Statement:**

- **(GYLA Statement)** *Batumi Sakrebulo adopted on 26<sup>th</sup> of February the Student Employment Program, which will start in May 2010.*

**IATF Response:**

The IATF would like to thank GYLA for having raised this issue. Although the law was not formally breached, the IATF has recommended that these funds be held until the elections are complete. The program has been temporarily suspended.

**Statement:**

- **(TI Statement)** *On 2 May, a woman who lives in one of the prestigious districts of Tbilisi received a call on her mobile phone from a neighbor who chairs the homeowners' association and is tasked with dealing with the building's logistical matters. The road leading up to the building needs to be paved. The association chairperson told the neighbor that he [she] was at the Mayor's Office and was told that the road to the building would only be paved if they agreed to*

*support the United National Movement candidates (majoritarian candidate Vato Natsvlishvili and mayoral candidate Gigi Ugulava). The woman asked not to be identified.*

**IATF Response:**

Due to the absence of any information about this person and the building, this case is unfortunately impossible to verify.

In order to avoid such incidents and acting on a recommendation from the IATF, Tbilisi Vice Mayor David Alavidze made a statement on May 12 clarifying that projects currently directed by the Mayor's Office cannot be changed based on particular election results in districts or precincts in Tbilisi. The Mayor's Office serves all Tbilisi residents regardless of political affiliation.

## **ALLEGED FACTS OF THREATS AND PRESSURE ON THE REPRESENTATIVES OF THE DIFFERENT POLITICAL PARTIES**

---

The IATF receives information regarding the alleged facts of threats and pressure from political parties and observing organizations. Despite the fact that in most cases the reported information is anecdotal and does not provide specific information, the IATF thoroughly checks all allegations. The cases provided below are not exhaustive.

**Statement:**

- **(GYLA Statement)** *Head of the Lakchkhuti branch of the political party "Our Georgia-Independent Democrats" Elguja Chkhaidze informed GYLA, that their member, candidate on the elections from "Alliance for Georgia" Avtandil Sumranidze, was called on a meeting by the representative of the local security service Chkhaidze and another person, who was introduced to him as the "Boss" from Kutaisi. He was "advised" by them not to take part in elections. The other day Lanchkhuti Gamgebeli Giorgi Gogvadze told him to leave the job of the assistant to the representative of Nigvziani village.*

**IATF Response:**

The IATF would like to thank GYLA for reporting such a case of possible abuse. The IATF has spoken to local police representatives and demanded that this case be monitored. Bukhutu Chkhaidze, who works for the MIA and is mentioned in the GYLA report, has been suspended from office until the details surrounding this incident can be clarified. The IATF will send a representative to further investigate all the details of this case.

**Statement:**

- **(TI Statement)** *TI reported regarding the pressure on the election candidates from the officials in Mestia district.*

**IATF response:**

An IATF representative visited the region and met all parties. Based on the information received, the IATF recommended that the main prosecutor's office open an investigation of the case. The investigation is underway.

**Statement:**

- **(TI Statement)** *In early April, Viktor Japaridze, the Freedom party's candidate in Mestia (who is number one on the party list and, at the same time, is a majoritarian candidate too), received a telephone call from Mestia District police chief Gia Shedania. Shedania, who made this telephone call on instruction from the administration head, threatened Japaridze with arrest upon his arrival to Mestia unless he would pull out of the election. Viktor Japaridze has refrained from visiting Mestia so far. He has received threats on several occasions. Viktor Japaridze could withdraw from the elections.*

**IATF response:**

The IATF would like to thank TI for reporting such a case of possible abuse. IATF member Jambul Bakuradze personally met Viktor Japaridze. Japaridze informed the IATF about his concerns. Bakuradze ensured Japaridze that this case—and in general the situation in Mestia—is being closely monitored by the IATF.

**Statement:**

- **(TI Statement)** *On 5 May, National Council campaign coordinator Lado Bozhadze informed us that, as a result of pressure exerted by district administration head Levan Gamsakhurdia and police chief Temur Gurashvili, a candidate for a seat in the Akhalsopeli Council Mzia Khutuashvili and another candidate for a seat in the Mtsidziri Council Aneta Mghebrishvili had withdrawn from the race. Mzia Khutuashvili refused to participate in the election when the party list had already been presented. Aneta Mghebrishvili decided to pull out of the election on 5 May.*

*The National Council had an 11-strong party list in Qvareli. The removal of two candidates from the list is sufficient for the party to be disqualified from the election there. The National Council therefore no longer has a party list in Qvareli.*

**IATF response:**

The IATF checked the information provided by TI. No evidence of pressure on any candidates was found. The IATF received information regarding the list of the National Council in Qvareli, which found that candidates withdrew from the elections due to an internal conflict within the party. The candidates were dissatisfied with the number assigned to them on the party list. As the IATF revealed, Mzia Khutuashvili won the party primary elections, however she was given number 2 in the list while first place was given to David Tochilashvili. Khutuashvili, being dissatisfied with this decision, decided with her cousin Aneta Mghebrishvili to withdraw from the list. She told to the IATF representative that she is ready to confirm this information to any interested party.

**Statement:**

- **(ISFED statement)** *ISFED reported that the Secretary of the Precinct Election Commission the representatives of the “the Alliance for Georgia”, Zurab Mamphoria in the village Orlu, in Zugdidi, was pressured, and he submitted the statement of termination his membership at the Commission.*

**IATF response:**

IATF examined the information and found that Zurab Mamphoria has never been the Secretary of the Precinct Election Commission. During the elections of the Secretary there were two candidates – Daliko Mamphoria and Zurab Mamphoria. As a result of these elections, Daliko Mamphoria won with a margin of four votes. Therefore, she became the Secretary. Soon after the election, the Republican Party changed Zurab Mamphoria to Lemonjava.

**Statement:**

- **(TI Statement)** **In April, families of prisoners were subjected to pressure in Ozurgeti.** Specifically, the families of prisoners were tasked with collecting signatures along with personal identification numbers and other personal information of up to 500 supporters of the National Movement in exchange for their release. Activists of different political parties and journalists have named eight such prisoners in Ozurgeti.

**IATF Response:**

The IATF has investigated this case and did not find evidence to confirm this information. However, as already mentioned above, IATF spokesperson Eka Zguladze made a special statement on May 12. In the statement she indicated that such practice is not possible in principle and warned family members of prisoners:

*“.....don't be fooled by false promises. No amnesty or parole will be granted in return for supporting any political party.”*

Gocha Shilakadze, chief of staff for the head of Ozurgeti administration, and Shukri Gabrichidze, representative of an Ozurgeti territorial body, who were mentioned by TI in their report, have also made appropriate statements during the press conference with local media.

## **ALLEGED FACTS OF PRESSURE ON PRIVATE COMPANIES NOT TO PROVIDE SERVICES TO OPPOSITION PARTIES**

---

**Statement:**

- **(TI Statement)** *Scheduled inspections and, in some cases, inventories of the printing companies operating in Tbilisi have been conducted on a regular basis since March. Consequently, the printing companies were closed for various periods of time and had their property sealed. All the printing companies that were closed temporarily had received orders from the National Council*

*electoral bloc. These were: Tbiliselebi (was closed for 22 days starting on 25 March), Sezani (closed for 10 days starting on 10 March), Sitqva (closed for 10 days starting 2 March) and UCM (closed for 35 days starting on 4 March). The inspections carried out by the tax agency did not reveal any major violations. Some of the printing companies are still being inspected though they have resumed operation.*

*Under the Georgian Tax Code, a taxpayer (in this case, a printing company) is to be informed about a scheduled tax inspection 10 days in advance, which was not done in any of the cases mentioned above. Court orders are required to conduct urgent inspections without such notice. According to the owners of several printing companies, no such orders were presented.*

*According to the representatives of opposition parties and the people who have professional ties with printing companies, the majority of printing companies presently refuse to accept orders from opposition groups. They even ask other customers about the content of the materials they want to have printed – something the printing companies previously showed no interest in.*

#### **IATF Response:**

The IATF reached out to the political parties including both parliamentary and non-parliamentary opposition to verify if they have had any problems printing election materials. None said that they had encountered such problems. The IATF also enquired with printing houses and similar feedback was provided, that there was not any pressure.

Regarding the taxation issues: The Revenue Office of the Ministry of Finance directs the “risk assessment program” that defines the list of businesses due for inspection. This year’s list included several printing companies, which would be subject to inventory procedures. Some were obliged to pay certain sums owed to the state in accordance with Georgian laws. Also, in accordance with articles 110 and 113 of the Tax Code, conducting inventory audits and undertaking revisions does not require advance notification.

#### **Statement:**

- ***(TI Statement) On 9 April, members of the Movement for Fair Georgia were denied permission by the administration to use the Sports Palace for a party event. The party was planning to announce the results of its primaries in the palace. In mid-March, Movement for Fair Georgia representative Lado Bozhadze and Sports Palace Director Nika Tsuladze verbally agreed that the party would be allowed to use the palace hall on 9 April and would pay 21,240 lari for this. About a week later, the party announced that the results of the primaries would be presented in the Sports Palace on 9 April. Approximately two weeks later, the Sports Palace staff informed Lado Bozhadze that they would no longer be able to provide the hall. They cited the fact that a basketball game was to take place in the Sports Palace on 10 April and refurbishment had to be carried out during the preceding two weeks.***

#### **IATF Response:**

The sports palace is run by a private company and the booking and operation of the facility is done at this company’s discretion. The Movement for Fair Georgia was allowed to hold the meeting at the chess palace, which is owned by the Ministry of Economy, instead; this should demonstrate that there was no political decision taken to hinder the event.

## COLLECTION OF PERSONAL ID NUMBERS

---

### Statement:

- **(TI Statement)** *In early March, the 2nd precinct of the Batumi city department of the Interior Ministry's Main Directorate in the Autonomous Republic of Abkhazeti sent a written request to the heads of various public and private organizations, asking them to collect personal identification numbers and other personal data (addresses, phone numbers, positions) of their employees. The letter provided no reasons for the collection of this data and only said that it was needed due to "special circumstances".*

### IATF response

The IATF has checked this information with the Ministry of Internal Affairs. The IATF agrees with TI that the formulation "special circumstances" can create a misunderstanding. In the opinion of the IATF, the purpose of the letter was unclear.

MIA informed the IATF that the letter was meant to be used to create a district registry of the MIA territorial units (district inspectors).

This particular process was conducted by the MIA on the basis of the following legislation:

- 1) Point B, Article Two, Georgian law "On Police"
- 2) Order of the Minister of Internal Affairs #875 of 26 August 2005, "On Adoption of Instruction on District Services of the Territorial Units of the Ministry of Internal Affairs"
- 3) Order of the Minister of Internal Affairs #103 of 28 February 2008, "On Adoption of the Rules of Work of the Detective-Investigators, Assistant Detective-Investigators and Inspectors of the Territorial Units of the Ministry of Internal Affairs"

## INFORMATION REGARDING INCIDENTS IN SCHOOLS

---

With the launch of the electoral campaign, the Ministry of Science and Education strictly warned all high school directors and heads of other structures in the educational system not to allow any electoral campaigning to occur at schools or other educational institutions.

It also must be noted that all public servants within the educational system are free to make their own political choices. Applying pressure on them due to their political beliefs is unacceptable.

Recently, four complaints have been received, and the IATF has reached out to the individuals who filed them.

We would like to once again state that no public servant within the education system will ever be dismissed for their political beliefs or those of their relatives. Any such cases should be reported immediately.

**Statement:**

- **(GYLA Statement)** *Head of the Sagarejo branch of the “Movement for the Just Georgia” Ioseb Otiashvili informed GYLA that the husband of their member Nato Kurdovanidze was fired by the director of the local school from his job. The director named membership of Nato Kurdovanidze as the reason for this decision.*

**IATF Response:**

IATF has clarified that the husband of Nato Kurdovanidze, Levan Kvezereli, was relieved from his job due to a violation of his contract. He was serving as a guard at the school and several times indulged in alcohol during working hours. He received several administrative warnings before being dismissed. He was dismissed in mid-March.

**Statement:**

- **(GYLA Statement)** *Head of the Dedoflistskaro branch of the “Movement for the Just Georgia” Shota Jamaspishvili informed GYLA that their activist Nunu Kadagishvili, who is teacher in the local school, is threatened to be fired from the job because of her political views.*

**IATF Response:**

Nunu Qadagishvili continues to work as a schoolteacher; the IATF contacted the Ministry of Education and asked that the situation in this school be monitored.

The IATF has verified that throughout the country no teachers have been fired from their jobs during the election period. The IATF made a public statement clarifying that public servants within the education system could not be dismissed for their political beliefs or those of their relatives. When the campaign period began, the Ministry of Science and Education strictly warned all high school directors and heads of other structures in the educational system not to permit any campaigning to take place at schools or other educational institutions. This statement was made by the Minister of Education on April 21.

**Statement:**

- **(GYLA Statement)** *GYLA provided the information that during the visit of president Saakashvili in the school No 55 on May 14, pupils were wearing the T-shirts and caps with the slogans “Gigi Ugulava-Mayor of Tbilisi” and number “5”. As GYLA reports based on the pupils the education process was disrupted during two days prior to the president’s visit.*

**IATF Response:**

The IATF thanks GYLA for this information. The IATF decided to check the provided information thoroughly and deliver appropriate recommendations and/or decisions. This is underway.

## **ANNEX**

### **Prime Minister's Statement**

We are witnessing a free and active electoral campaign. However, we take into account concerns expressed by the certain political parties and groups of society and once again warn all Georgian citizens and especially civil servants that the following are punishable by law:

- **Pressure on the candidates participating in the elections to withdraw their candidacies;**
- **Promising bribes to the voters;**
- **Confusing the voters by telling them that it can be checked who voted for whom;**
- **Pressure on employees by the bosses to vote in a certain manner;**
- **Promising to cut prison terms if convicts' relatives provide votes;**
- **Rigging electoral results or documents in any form or disrupting electoral process.**

All such actions are punishable by law.

It is the Government's responsibility to do everything to provide for the healthy electoral environment. The local elections to be held on 30 May must become another step forward on the road of Georgia's democratic development.