

# საქართველოს ახალგაზრდა იურისტთა ასოციაცია GEORGIAN YOUNG LAWYERS' ASSOCIATION



## GYLA Responds to the Statement of Tbilisi City Hall

In response to GYLA's press conference, following a statement made by Tbilisi City Hall about the process of rehabilitation of Tbilisi, in order to shed more light to the issue we deem it necessary to provide public with information about issues addressed by the statement of Tbilisi City Hall.

GYLA does not share the explanation made by Tbilisi City Hall about public procurement and believes that it is wrongfully interpreting the term "public procurement". The Law of Georgia on Public Procurement qualifies the following as state procurement: procurement of any goods, services and construction works by a

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procuring organization with state funds as well as funds of the autonomous republic and self-government units. Therefore, when dealing with an issue of public procurement, legal status of procuring organization as well as origins of procurement funds are important, and the powers exercised by the entity concerned.

Therefore, in view of the fact that funds set up by Tbilisi Government were provided with tens of millions of laris from Tbilisi budget throughout the years, procurements made by these funds easily fall under the scope of the legislation on state procurement. Hereby, we'd also like to highlight that even if finances transferred from Tbilisi budget to these funds do not fall under the regulations of the Law on State Procurement, spending tens of millions of laris in budgetary resources circumventing the legislation is utterly unacceptable.

Notably, the list of projects implemented by the funds as outlined the statement released by Tbilisi City Hall is insufficient as public must also be provided with the following information about the projects:

- The amount of financial resources spent by the funds on each project;
- Names of the companies (contractors) carrying out works for every project;
- How, in what form and to what extent was the process of selection of contractors transparent for each project

We'd like to also respond to the position of Tbilisi City Hall, according to which conclusions drawn by GYLA about possible use of corruption scheme are not serious and very shallow. In view of the fact that for over the years the rehabilitation process lacked transparency and GYLA's number of attempts to receive complete and thorough information from Tbilisi City Hall were futile, and that Tbilisi City Hall has failed to comply with the court's decision to provide access to reports submitted by the Old Tbilisi Rehabilitation and Development Fund about its activities in 2005-2011, we are at least entitled to raise certain questions and express corresponding opinions.