



GYLA held a presentation of research on unregulated secret public procurement

On December 22, 2015, Georgian Young Lawyers' Association presented a research on Unregulated Secret Public Procurement. The research identified a few important circumstances:

In 2010-2015 seven administrative bodies in Georgia (Administration of the Government, Administration of the President, Ministry of Defense, Special State Protection Service, State Maintenance Agency, National Security Council, State Security and Crisis Management Council) concluded 2752 secret public procurement contracts with total worth of GEL 747,407,518.

In addition, there is no document that would regulate list of objects of public procurement related to state secrets and the procedure for conducting such procurement. Absence of such document and applicable procedures increases the risk of making corrupt deals, which is most likely to have taken place in 2010-2015;

Part of the secret public procurement contracts signed in 2010-2015 and classified in the same period suggests that in absence of applicable regulations for many years, the status of secret public procurement was extended essentially to all kinds of procurement, while a significant part of de-classified contracts leaves serious questions about individual cases of public procurement, advisability of secret procurement and selection of contracting companies.

Part of the secret public procurement contracts concluded in 2010-2015 and classified in the same period clearly suggests that in some cases contracts were concluded under the Law of Georgia on Public Procurement, which is a violation of requirements of the said law.

In 2010-2015 some of the secret procurement contracts were concluded and classified with participation of the so-called “third parties” with ambiguous functions, which suggests possible corruption.

In addition, judging from the example of seven administrative bodies, it is safe to conclude that following the 2012 parliamentary elections number as well as value of contracts concluded and classified as secret was decreased; however, absence of applicable legal regulations calls expediency of classifying public procurement contracts and fairness of selection of contractors into question, and raises suspicions about possible corruption.

Based on research findings, GYLA recommends the following:

- The government of Georgia should adopt and implement regulations concerning a roster of objects and applicable procedures for secret public procurement;

- The government of Georgia should ensure reasonable participation of interested groups and transparency of the process of elaboration of applicable regulations;
- Until adoption of roster of objects and applicable procedures for implementation of secret public procurement, relevant administrative bodies should decrease the number of secret public procurement contracts to minimum.

In 2010-2015 seven administrative bodies in Georgia (Administration of the Government, Administration of the President, Ministry of Defense, Special State Protection Service, State Maintenance Agency, National Security Council, State Security and Crisis Management Council) concluded 2752 secret public procurement contracts with total worth of GEL 747,407,518.

In addition, there is no document that would regulate list of objects of public procurement related to state secrets and the procedure for conducting such procurement. Absence of such document and applicable procedures increases the risk of making corrupt deals, which is most likely to have taken place in 2010-2015;

Part of the secret public procurement contracts signed in 2010-2015 and classified in the same period suggests that in absence of applicable regulations for many years, the status of secret public procurement was extended essentially to all kinds of procurement, while a significant part of de-classified contracts leaves serious questions about individual cases of public procurement, advisability of secret procurement and selection of contracting companies.

Part of the secret public procurement contracts concluded in 2010-2015 and classified in the same period clearly suggests that in some cases contracts were concluded under the Law of Georgia on Public Procurement, which is a violation of requirements of the said law.

In 2010-2015 some of the secret procurement contracts were concluded and classified with participation of the so-called “third parties” with ambiguous functions, which suggests possible corruption.

In addition, judging from the example of seven administrative bodies, it is safe to conclude that following the 2012 parliamentary elections number as well as value of contracts concluded and classified as secret was decreased; however, absence of applicable legal regulations calls expediency of classifying public procurement contracts and fairness of selection of contractors into question, and raises suspicions

about possible corruption.

Based on research findings, GYLA recommends the following:

- The government of Georgia should adopt and implement regulations concerning a roster of objects and applicable procedures for secret public procurement;
- The government of Georgia should ensure reasonable participation of interested groups and transparency of the process of elaboration of applicable regulations;
- Until adoption of roster of objects and applicable procedures for implementation of secret public procurement, relevant administrative bodies should decrease the number of secret public procurement contracts to minimum.