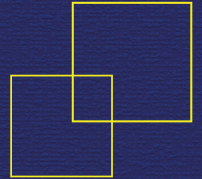


Monitoring Covid-19 related Public Spending during the State of Emergency and after

Interim Report



With the financial support of the European Union (EU), Institute for Development of Freedom of Information (IDFI) is monitoring the Covid-19-related public spending, implementation of the Government Anti-Crisis Plan, spending of StopCov Fund, and allocation of donor support.

The project interim report includes an overview of activities carried out through March-December 2020, monitoring results, and recommendations.

Key Findings

- ▶ Implementing authorities of anti-crisis measures **do not fully provide public information** regarding their initial activities in terms of fighting the Coronavirus, which is crucial in the monitoring process of the Anti-Crisis Plan implementation.
- ▶ The results of the Anti-Crisis Plan are represented in a misleading way in most government reports, **creating an exaggerated image of success.**
- ▶ Covid hotels and mobilization of hospitals constitute the largest share of Covid-19 related simplified public procurements. For example, between March 21 and November 15, **GEL 200 million was spent on the procurement of hotel and hospital services.**
- ▶ Simplified public procurements are used for most of the purchases for the above mentioned purposes, and simplified procurement agreements signed by some of the procuring agencies are **not publicly available in the electronic system.**
- ▶ More than GEL 1 billion from **the 2020 Anti-Crisis Plan (29.5%) was allocated as direct assistance** to citizens. In several cases direct assistance was equally distributed between socially vulnerable families and the high-income part of the population.



- Several assistance programs of Anti-Crisis Plan **were insufficient**, with the possibility of increasing the amount and target groups of assistance, considering that allocated budget of some programs could not be fully utilized.
- State debt of Georgia will exceed 60% of the GDP in 2020-2021, which is **higher than the limit established** by the law on “economic freedom”.



ACCORDING TO THE MONITORING RESULTS, IDFI ADDRESSED THE GEORGIAN AUTHORITIES WITH THE FOLLOWING RECOMMENDATIONS:

- ⚠ Ensure the most transparent process of activities and expenses implemented during the pandemic by providing and proactively publishing the relevant public information.
- ⚠ The procuring entities should minimize the use of simplified procurements in the procurement of services and products that are known in advance and can be planned and conducted on a competitive basis.
- ⚠ The State Procurement Agency should take into account IDFI's recommendations regarding the placement of data in the electronic system in an open, processable format, the ability to indicate the SMP codes for procurements (urgently required), etc.
- ⚠ Take into account the factors listed in the interim report on the planning and implementation of programs within the framework of the 2020 Anti-Crisis Plan when formulating a new action plan; this will contribute to the effective growth of both the volume of assistance and the size of the target segment.
- ⚠ The public should be provided with relevant data on the scale and effectiveness of any program developed under Anti-Crisis Plan, thereby avoiding the formation of false expectations among the beneficiaries of the program.



ევროკავშირი
საქართველოსთვის
The European Union for Georgia



Institute for Development
of Freedom of Information