ASSESSMENT OF THE QUALITY OF PUBLIC-PRIVATE DIALOGUE IN PREPARATION OF NORMATIVE ACTS, 2021-2022

The Institute for Development of Freedom of Information (IDFI) assessed 20 normative acts: 16 normative acts at the central level and four at the municipal level. Dialogue at both the central and local levels on most of the selected normative acts was assessed as moderate.



The highest scores among the assessed normative acts went to the law "On Water Resources Management" and the subordinate normative act "Strategy for the Development of Small and Medium Enterprises of Georgia for 2021-2025 and the Action Plan for the Development of Small and Medium Enterprises of Georgia for 2021-2022."

Main findings at the central level:

- The private sector was involved in the development of most normative acts (12), although the quality of participation varied.
- Public hearings were held for almost all the acts, but in the opinion of the private sector, in some cases the discussions were treated as a formality and the feedback was a standard response.
- A significant number of public agencies published draft acts on their websites, but this mechanism was not effective for receiving any comments.
- Initially, public agencies prepared projects without the participation of the private sector, although they relied on information provided by the private sector.
- The acts that were prepared with private sector participation underwent significant changes as a result of their comments.
- The active participation of the NGO sector had a positive impact on the dissemination of information and the involvement of civil society in the process.
- Regulatory impact assessments (RIA) were carried out only in case of three draft laws and one subordinate normative act.
- The period of preparation of the studied draft laws ranges from one to 10 years. Some private sector respondents noted that such a lengthy process is ineffective.

Recommendations:





It is necessary to proactively disseminate draft acts, including by sending documentation to and actively communicating with interested parties.



It is important to prepare and publish analytical documents.



It is desirable to involve the private sector in the preparation of initial working versions of acts.



To increase the involvement of the private sector, it is necessary to effectively manage the act preparation process, conduct result-oriented public discussions, and provide well-reasoned feedback on comments.



To disseminate information and improve draft acts, both the NGO sector and the business sector must actively participate.



It is necessary to prepare RIAs for acts with significant economic impact, regardless of whether the law requires it or not.

Main findings at the municipal level:





Stakeholders in municipalities were not adequately informed about the budget cycle and the competencies of public agencies.





Stakeholders had trouble finding the published drafts of budgets.



At the budget planning stage, meetings were held with the population, to a lesser extent with businesses and NGOs. HIGH

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Recommendations:



Effective communication by local self-governments is necessary to enhance the quality of stakeholders' participation in the dialogue



Information about the stages and the calendar of budget preparation should be proactively disseminated and easier to access on the website.



Increasing the involvement of the population and the private sector in the planning of projects for economic development is necessary.



It is essential to raise the awareness of stakeholders about the powers of local self-government.





The USAID Economic Governance Program