

Regional Governor State Vehicles and Fuel Expenses 2017-2018



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Key Findings

- Nine regional governor administrations own a total of 78 vehicles, of which 49% are high-performance, and 46% are assigned to specific official or employee.
- All regional governors use Toyota Land Cruisers, most of which were gifted to governor administrations free of charge.
- 73% of vehicles owned by governor administrations were not purchased with their budgets and they were transferred free of charge from other public institutions.
- On August 21, 2015, Deputy Governor of Kvemo Kartli region appealed to Rustavi Mayor to transfer a vehicle that was purchased for GEL 71,373 on the same day from the municipal budget to the governor administration.
- In 2017-2018, the monthly fuel limits of governor administrations varied from 700 to 1,500 liters.
- In 2017-2018, 7 governors spent a total of 132,208 liters of fuel.
- There is strong evidence to suggest that in 208 Guria governor administration exceeded its fuel consumption limit.
- In 2017-2018, 7 governors drove 750 thousand kilometers in total, averaging at 52.5 thousand kilometers in 2017, and 54.7 in 2018.
- The distance driven by each governor in 2017-2018 is on average equal to twice the circumference of Earth.
- In 2017-2018, vehicles assigned to governors drove an average of 150 kilometers per day including weekends, and 215 kilometers per working day excluding weekends.
- In 2017-2018, the average fuel consumption per 100 kilometers of vehicles assigned to governors ranged from 15 to 19.83 liters.

Introduction

Analysis of vehicles owned by regional governor administrations and related fuel consumption points to challenges related to rational and efficient use of resources. The high overall number of vehicles owned by governor administrations, prevalence of expensive luxury models, and high fuel expenses demonstrate a necessity for optimization and stricter oversight mechanisms.

An additional serious concern is the practice of free of charge gifting of vehicles to governors by municipalities within the respective region. This practice raises questions about the proper

use of municipal assets, contradicts the process of decentralization of governance and undermines the independence of local government.

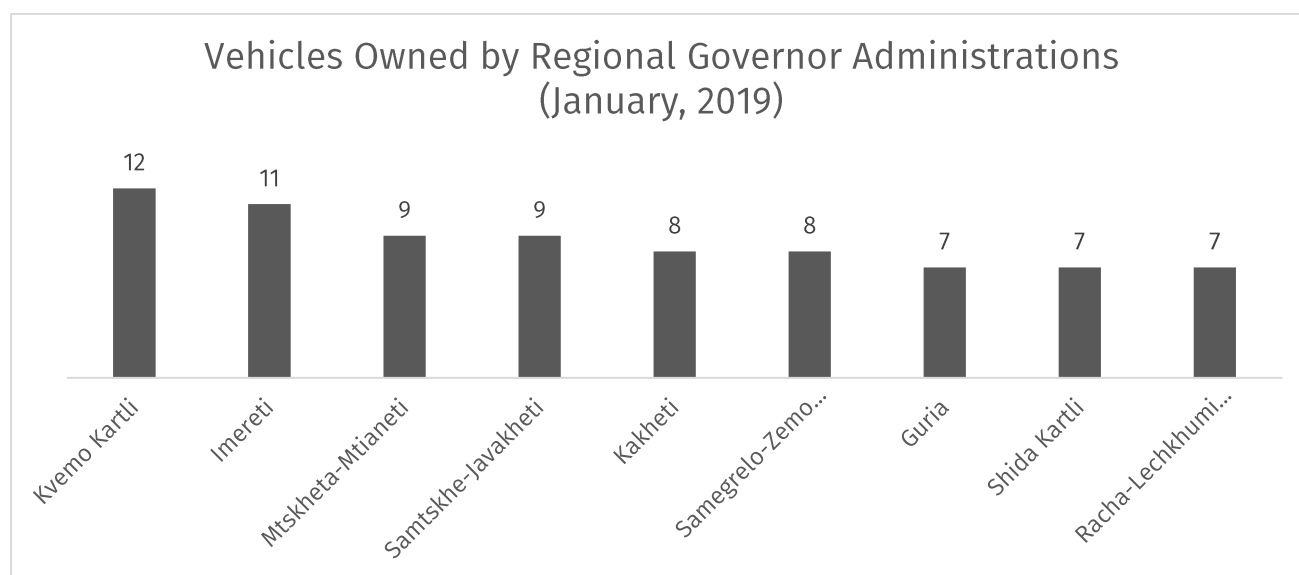
The prevalence of challenges identified in this document throughout the country points to the necessity of considering the option of establishing a centralized service for state-owned vehicles. It is also necessary to introduce technological systems for stricter monitoring of state-vehicle use and their fuel consumption.

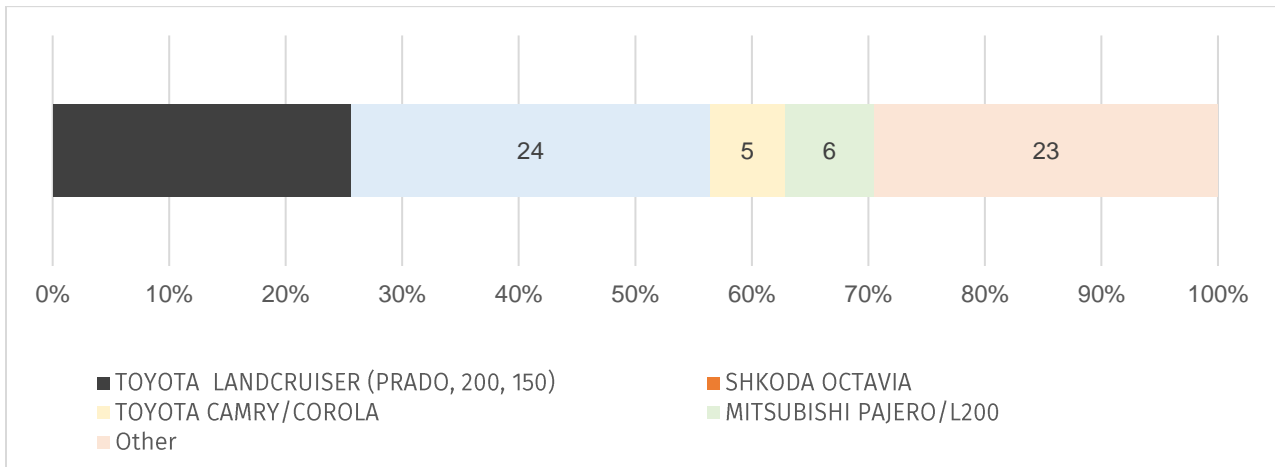
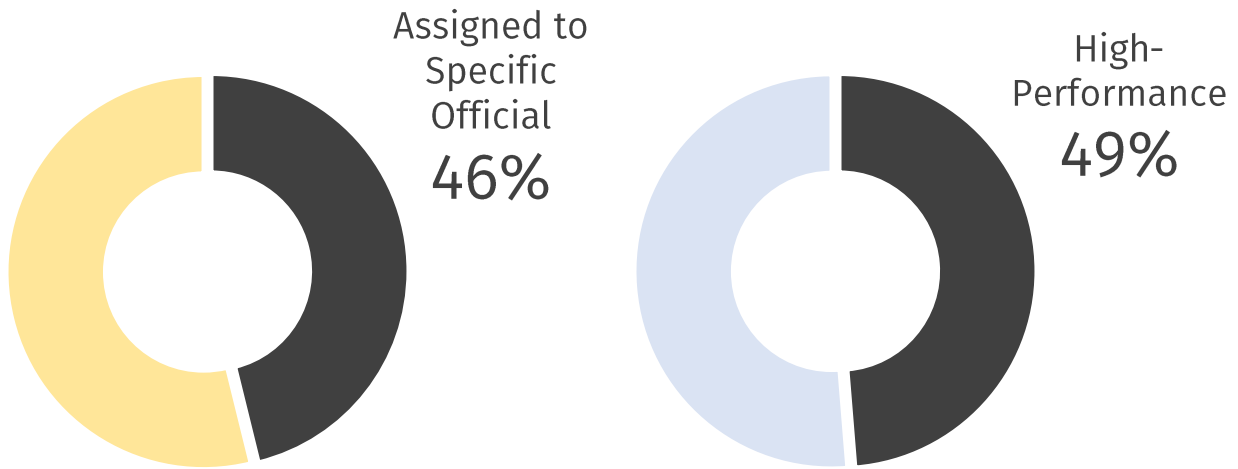
Information presented in this document was gathered by IDFI through freedom of information requests that were sent to 9 regional governor administrations, requesting public information about the state vehicles and fuel expense in 2017-2018.

State Vehicles Owned by Regional Governors

As of January 2019, 9 regional governor administrations in Georgia own a total of 78 vehicles, ranging from 7 to 12 vehicles per administration. 46% of these vehicles are assigned to a specific official or employee. In most cases, governors and their deputies have vehicles assigned to them.

49% of vehicles owned by governor administrations are high-performance: 20 Toyota Land Cruisers (Prado, 200, 150), 24 Shkoda Octavias, 6 Mitsubishi Pajero/L200s, 5 Toyota Camry/Corolas and 23 other models.

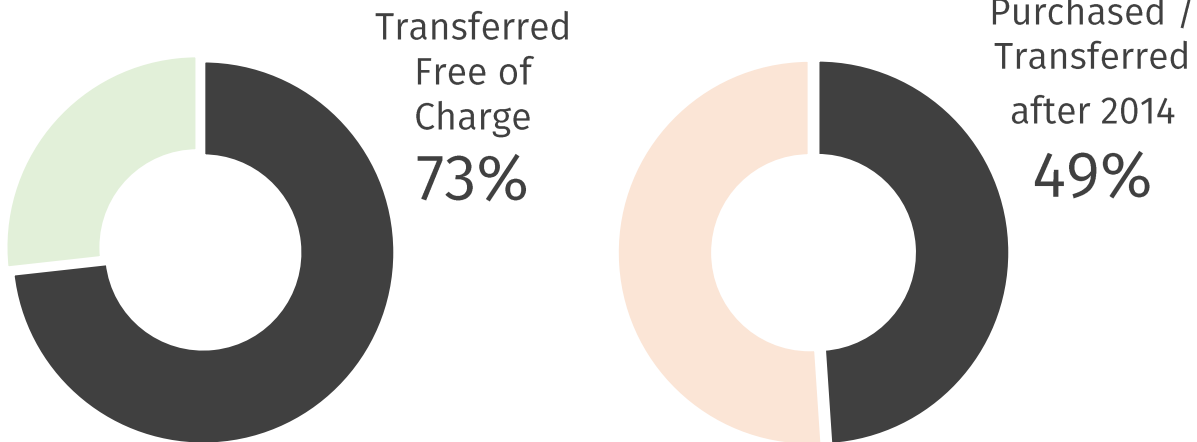




All regional governors have Toyota Land Cruisers assigned to them. The majority of these vehicles have been gifted / transferred to the administration free of charge. Overall, 73% of all vehicles owned by regional governor administrations have not been purchased with their budgets and have instead been transferred to them free of charge, in most cases by municipalities inside the relevant region. Unsurprisingly, there is lack of transparency in this process, since information about the preconditions for these transfers are unknown.

Vehicles Assigned to Regional Governors

Governor	Model	Year of Purchase / Transfer	Year of Production	Base Value	Residual Value
Samegrelo-Zemo Svaneti	Toyota Land Cruiser Prado	2017	2016	-	90,404
Kvemo Kartli	Toyota Land Cruiser Prado	2014	2013	-	55,704
Imereti	Toyota Land Cruiser LC-200	2012	2011	89,688	0
Kakheti	Toyota Land Cruiser LC-150	2012	2012	101500	21,924
Mtskheta-Mtianeti	Toyota Land Cruiser LC-200	-	2008	39,573	21,844.3
Guria	Toyota Land Cruiser Prado	2009	2008	82,800	30,192.8
Samtskhe-Javakheti	Toyota Land Cruiser LC-150	2010	2010	105,100	0
	Toyota Camry	2010	2010	60,000	0
	Mercedes-Benz G500	In temporary use by the administration			
Shida Kartli	Toyota Land Cruiser LC-200	Temporarily transferred from Gori municipality			
Racha-Lechkhumi and Kvemo Svaneti	Toyota Land Cruiser Prado	No information has been provided			

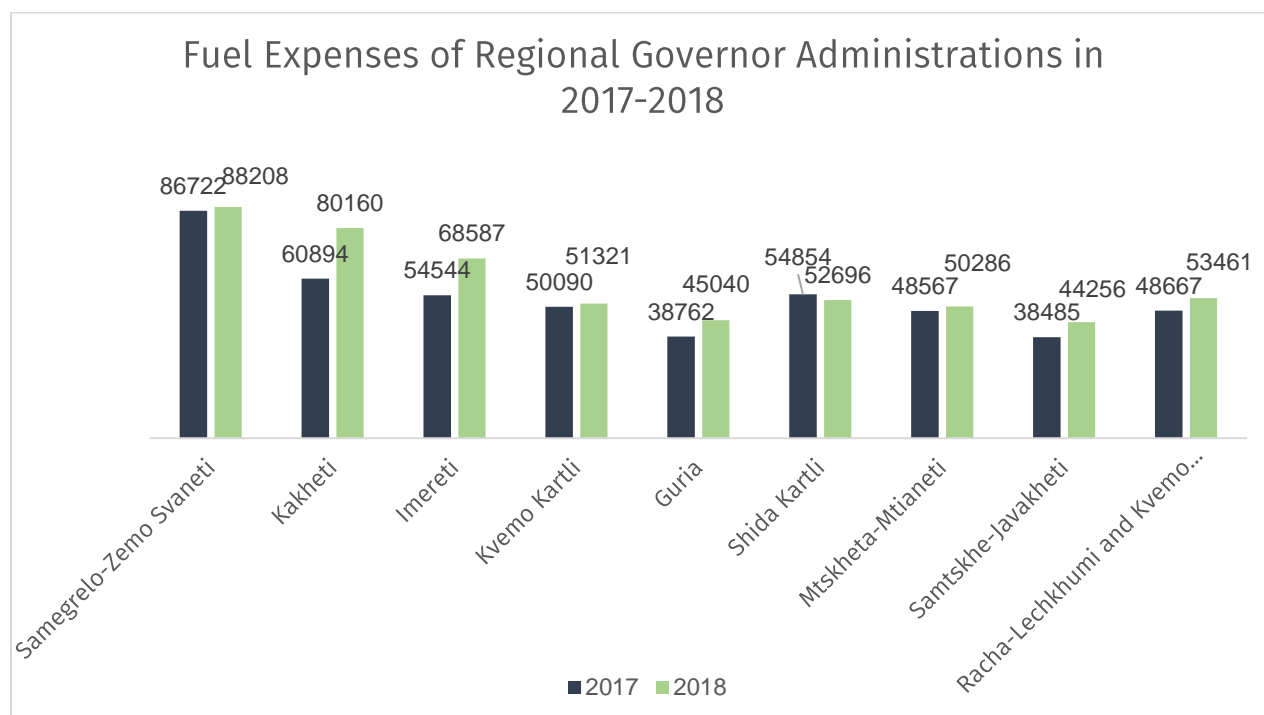


The problematic nature of the practice of municipalities giving vehicles to their regional governors is well illustrated by the example of Kvemo Kartli, where on August 21, 2015, deputy governor asked Rustavi Mayor to transfer a vehicle that was purchased for GEL 71,373 on the

same day from the municipal budget. This practice clearly goes against the process of decentralization of governance and undermines the independence of local government.

Fuel Expenses of Regional Governor Administrations

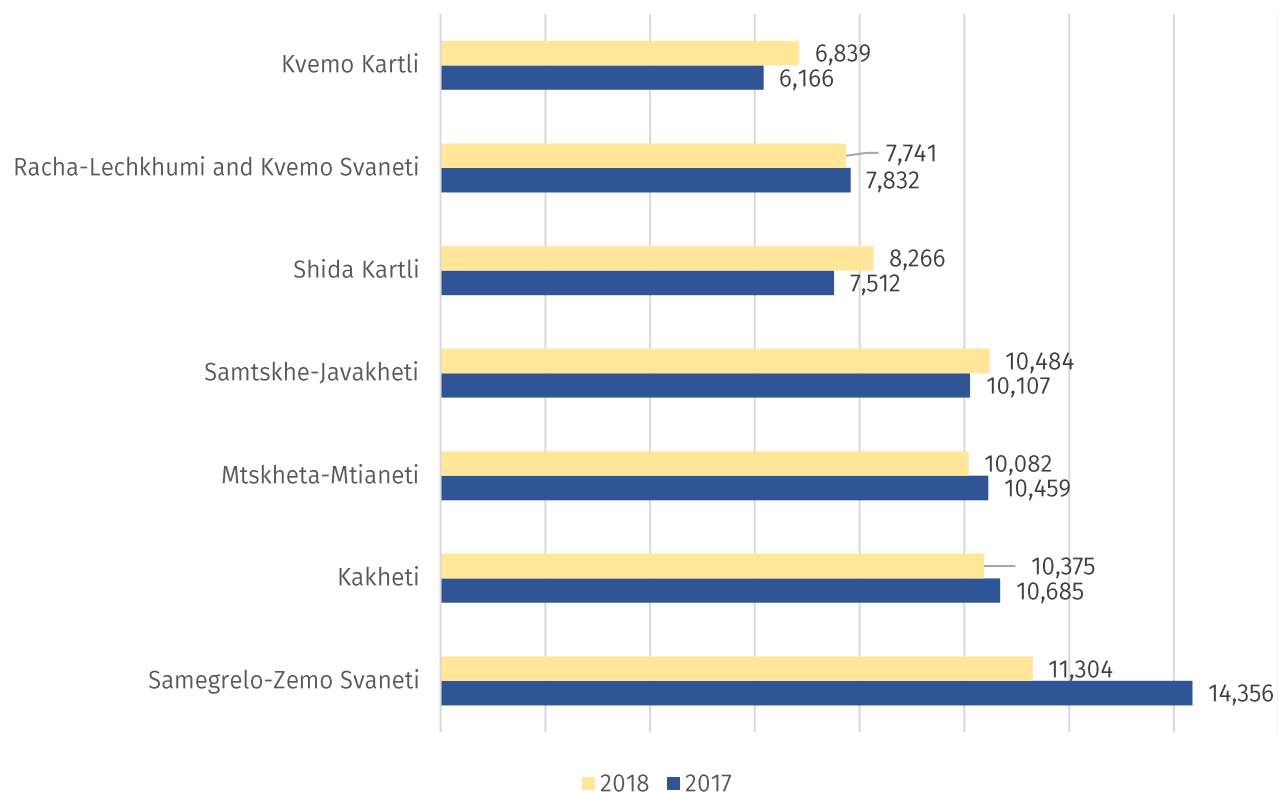
Each of the 9 regional governor administrations in Georgia has monthly fuel limits they are not allowed to exceed, the limits being set by the governor themselves. In 2018, governor administrations spent a total of GEL 534,015 on fuel, GEL 52,430 more than the previous year (GEL 481,585). In 2017-2018, governor administrations of Samegrelo-Zemo Svaneti, Kakheti and Imereti regions were the highest spenders.



As for governors specifically, in 2017-2018, 7 of the 9 governors (the remaining two refused to provide the requested public information) used a total of 132,208 liters of fuel, with the governor of Samegrelo-Zemo Svaneti using the most – 25,660 liters over the two year period.

There were also cases when governors increased their monthly limits. This took place in Shida Kartli region, the governor of which increased the limit from 800 to 1,000 liters on April 27, 2018, and in Kvemo Kartli region (also the region with the least governor fuel expenses, 6,166 in 2017 and 6,839 in 2018), the governor of which raised the limit from 700 to 900 on October 17, 2018.

Fuel Used by Regional Governors in 2017-2018 (liters)



Fuel Used by Regional Governors				
Governor	Vehicle Model	Monthly Limit	Used Fuel (liters)	
			2017	2018
Kakheti	Toyota Land Cruiser LC-150	1,000	10,685	10,375
Mtskheta-Mtianeti	Toyota Land Cruiser LC-200	900	10,459	10,082
Samegrelo-Zemo Svaneti	Toyota Land Cruiser Prado	1,500	14,356	11,304
Samtskhe-Javakheti	Toyota Land Cruiser LC-150	0	10,107	10,484
	Toyota Camry	200		
	MERSEDES-Benz G500	1,000		
Racha-Lechkhumi and Kvemo Svaneti	Toyota Land Cruiser Prado	-	7,832	7,741
Shida Kartli	Toyota Land Cruiser LC-200	800/1,000	7,512	8,266
Kvemo Kartli	Toyota Land Cruiser Prado	700/900	6,166	6,839
Guria	Toyota Land Cruiser Prado	800	21,175 (GEL)	25,671 (GEL)

Guria governor administration was the only one unwilling to disclose the exact volume of fuel used by the governor. Instead, according to the administration, the governor had spent GEL 21,175 on fuel in 2017 and GEL 25,671 in 2018. Considering the fact that the monthly limit for Guria governor was 800 liters in 2018 (9,000 throughout the year), a simple calculation reveals that the governor administration would have to spend GEL 2.85 per liter even if it made sure not to exceed the 9,000 liter limit. This price is significantly higher than the market price of the fuel purchased in 2018, which was GEL 2.16 in case of Samtskhe Javakheti governor administration. Assuming that Guria governor administration did not overpay for its fuel, it would have purchased 11,884 liters for GEL 25,671 in 2018, exceeding the official limit by as much as 2,900 liters.

Finally, the sheer amount driven by regional governors in 2017-2018 raises questions about rational and efficient use of resources. During the 2 year period, 7 of the 9 governors drove a total of 750 thousand kilometers (the remaining 2 did not disclose this information), averaging at 52.5 thousand kilometers in 2017, and 54.7 in 2018. The distance driven by each governor in 2017-2018 is on average equal to twice the circumference of Earth.

In 2017-2018, vehicles assigned to governors drove an average of 150 kilometers per day including weekends, and 215 kilometers per working day excluding weekends. The average fuel consumption per 100 kilometers of vehicles assigned to governors ranged from 15 to 19.83 liters.

Distance Driven by Regional Governors in 2017-2018								
Governor	2017				2018			
	Average Consumption per 100 km (liters)	Expenses (liters)	Distance (km)	Average Distance Driven per Day	Average Consumption per 100 km (liters)	Expenses (liters)	Distance (km)	Average Distance Driven per Day
Kakheti	19.65	10,685	53,400	146	19.83	10,375	52,300	143
Mtskheta-Mtianeti	19.68	10,459	53,434	146	19.45	10,082	53,305	146
Samegrelo-Zemo Svaneti	X	14,356	68,000	186	X	11,304	65,000	178
Samtskhe-Javakheti	18.7	10,107	59,046	161	16.5	10,484	67,575	185
Kvemo Kartli	16.95	6,166	39,020	106	17,11	6,839	44,550	122
Racha-Lechkhumi and Kvemo Svaneti	17.5-18	7,832	44,500	121	17.5-18	7,741	45,000	123
Shida Kartli	15	7, 512	50,080	137	15	8,266	55,107	150

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