

Questionnaire

Contact Information

Please provide contact details for potential follow-up questions. Contact details will be treated confidentially.

Country: *Georgia*

Government Agency: *The Prosecution Service of Georgia*

Please describe (cite and summarize) good practices your country has taken (or is planning to take, together with the related appropriate time frame) concerning international cooperation to further prevent, identify, investigate and prosecute corruption during times of emergencies and crisis response and recovery.

States parties are invited to provide information on experiences, good practices and challenges concerning the following:

I. Understanding corruption risks and typologies during times of emergencies and crisis response and recovery, including transnational elements

1. Has your government assessed corruption risks **during emergencies or crisis response and recovery**, either through formal risk assessments or other informal means? Please provide details, such as key findings and mitigation plans. Please describe whether any other (existing) risk assessment has been carried out that is relevant to the emergency response (such as sectoral risk assessments in procurement, healthcare, infrastructure, etc) and provide details.

2. Please list the main typologies of corruption (corruption risks) you have identified in your country's **emergency or crisis responses and recovery**. You may select from the list below, and add any additional risks not listed:

Public Procurement

- Bribery of procurement officials
- Excessive use of non-competitive bidding procedures, including by single or limited source tendering, with limited safeguards
- Improper application of emergency procurement procedures allowing for expedited delivery of goods and services
- Bid-rigging (e.g. use of inflated prices)

Misappropriation of Emergency Relief Funds

- Non-eligible beneficiaries circumventing rules and regulations, including through bribes, to obtain access to relief and support

- Diversion of donations away from intended beneficiaries
- Exploiting international financial assistance related to emergency relief or other types of support (such as donor funding or technical assistance)
- Embezzlement of profit gained from the sale and distribution of emergency supplies
- Manipulation and inflation of claims for economic relief
- Fraudulent billing for the provision of goods and services
- Diversion of donated equipment/supplies to the black market
- Companies hoarding/not discharging support received from the government

Conflicts of Interest

- Conflicts of interest between suppliers and authorities in procurement processes
- Political appointees or persons entrusted with prominent public functions involved in, or the beneficial owners of, companies bailed out by the government or companies involved in procurement processes
- Support packages distributed according to ethnicity and/or political affiliation

Misuse of Information

- Use of social media to spread misinformation, undertake fraudulent activities such as phishing, cyber-criminal fraud

Inadequate Reporting/Protection Mechanisms

- Inadequate reporting/protection mechanisms for whistle-blowers and witnesses
- Restricted ability to report potential corrupt activities

Other Corruption Risks

- Extensive use of government emergency powers and regulations, with insufficient controls, consultations and/or guidance
- Provision of counterfeit good and supplies
- Fraudulent or illicit production of goods, including research
- Impeded anti-corruption enforcement actions during emergency and crisis responses due to corruption
- Impeded provision of international cooperation (e.g. mutual legal assistance) due to the emergency or crisis due to corruption
- Links between corruption and other forms of crime, in particular organized crime and economic crime, including money-laundering

Please list any other typologies or risks:

Due to the absence of finalized criminal cases concerning corruption in emergency or crisis responses and recovery, currently there are no typologies of corruption (corruption risks) in these specific areas, which have been identified through criminal investigations.

3. Did any of the corruption risks (typologies) identified in question 2 entail an international element? For example, fraudulent or collusive procurement practices involving foreign or international bidders or suppliers, donors or international financial institutions; aspects of transnational bribery; diversion of resources, assets or persons across borders)? Please be as specific as possible and provide details and examples. If the information is sensitive, please describe the typology or give anonymized examples.

N/A

4. Please describe whether the corruption risks identified in question 2 appear to be longer-term trends. Have they required new or strengthened anti-corruption actions as a result? If so, please elaborate.

N/A

5. Is there a greater need for international cooperation in responding to corruption risks in the context of emergency and crisis responses than in other situations? Why, or why not?

No shortcomings have been identified regarding the international cooperation in responding to corruption risks in the context of emergency and crisis responses.

II. Addressing corruption during times of emergencies and crisis response and recovery at the domestic level

1. Please describe the anti-corruption controls, safeguards and/or measures put in place to address the corruption risks identified above in question 2. Please highlight any special measures that may have been introduced in response to a particular emergency, and whether those measures may be useful for future crises. These may include anti-corruption task forces, the use of real-time audits, transparency portals and specific reporting channels for reporting corruption in the context of emergencies, including in the areas below.

N/A

III. Responding to corruption during times of emergencies and crisis response and recovery, including through international cooperation

1. If possible, please provide examples of detected or suspected instances of domestic or transnational corruption and how these were identified in your country. If the information is sensitive, please describe the typology or give anonymized examples.

Throughout the recent years, there have been no finalized cases of domestic or transnational corruption during times of emergencies and crisis response and recovery.

2. How did the government respond? Has your country taken any steps to identify, investigate or prosecute corruption in emergency and crisis responses and recovery? Examples may include an interagency cooperation taskforce among anti-corruption authorities, analysis of suspicious transaction or financial disclosure reports, greater cooperation across international borders, strengthening investigation and prosecution capacity, etc.

N/A. Please see the reply to the previous question.

3. In its response, did your authorities find it necessary to seek or request international cooperation (e.g. mutual legal assistance or direct law enforcement cooperation)? Please provide details and examples. How effective do you believe the cooperation was, and what were the main challenges? Was the assistance provided, were there any obstacles?

N/A. Please see the reply to the first question under this section.

4. Has your government received any requests for international cooperation from other countries seeking to identify, investigate or prosecute corruption during times of emergencies and crisis response and recovery? Please provide details and examples. How effective do you believe your authorities cooperated, and what were the main challenges? Was the assistance provided, were there any obstacles?

No international cooperation requests have been received in recent years from other countries seeking to identify, investigate or prosecute corruption during times of emergencies and crisis response and recovery.

IV. Mechanisms to respond to corruption during times of emergencies and crisis response and recovery through international cooperation

1. Have your authorities had any practical experience in sharing information, including spontaneously, with authorities in other countries concerning suspected corruption in the context of emergency or crisis responses?

Throughout the recent years, the Prosecution Service of Georgia had no cases of sharing information, including spontaneously, with authorities in other countries concerning suspected corruption in the context of emergency or crisis responses.

2. Has your government used electronic communication channels or networks, including those of INTERPOL or the GlobE Network, that enable the prompt exchange of information for the investigation and prosecution of corruption offences in the context of emergency and crisis responses?

Throughout the recent years, the Prosecution Service of Georgia has not submitted the requests to foreign countries in the context of investigation and prosecution of corruption in emergency and crisis responses. However, it is common for the Prosecution Service to use electronic communication channels or networks, including those of INTERPOL, for international cooperation in different criminal investigations.

3. Are you aware of any examples of joint or parallel investigations or the bilateral sharing of capacity and expertise on investigating and prosecuting corruption in this context?

No information is available regarding the ongoing joint or parallel investigations or the bilateral sharing of capacity and expertise on investigating and prosecuting corruption in the context of emergency and crisis responses.

4. Have you experienced challenges in accessing adequate, accurate and up-to-date information on the beneficial ownership and control of legal persons in other jurisdictions? In your view, what may be improved to enable effective, timely access to such information?

No major challenges were experienced in accessing adequate, accurate and up-to-date information on the beneficial ownership and control of legal persons in Georgia.

5. Have you experienced challenges in verifying assets beneficially owned by public officials abroad? In your view, what may be improved to enable effective, timely access to such information?

No major challenges were experienced in verifying beneficial ownership of assets by public officials abroad.

6. Have there been any efforts to support anti-corruption practitioners and law enforcement authorities in your country, including human resources management and opportunities for capacity-building and peer-learning on methods, tools and technologies for countering corruption in the context of emergency and crisis responses?

The competent anti-corruption investigators and prosecutors of Georgia have attended several OECD training events recently concerning corruption in the context of emergency and crisis responses.

7. In your view, are there any unique aspects of requesting or providing international cooperation in emergency and crises responses as opposed to regular cases?

The outgoing and incoming international cooperation requests that are made in the context of emergency and crises responses, would be prioritized, which means that they will be sent and executed considerably faster than regular requests.

V. Effectiveness of international frameworks to respond to corruption during times of emergencies and crisis response and recovery, including through international cooperation

1. Are there any longer-term trends related to addressing corruption in emergency and crisis responses that require a new or improved anti-corruption approach in the future? Or that require greater international cooperation or new ways of working together? Please explain.

No longer-term trends have been identified related to the investigation of corruption in emergency and crisis responses that require a new or improved approach in the future from the side of the investigation and prosecution authorities. See the answer to the next question regarding the shortcomings identified in international cooperation during the emergencies in general and potential solution.

2. Are there any measures or processes that you would consider good practices to facilitate international cooperation and rapid exchange of information in emergency and crisis situations? Examples could include measures to accept electronic copies of mutual legal assistance requests and prioritize requests concerning corruption during times of emergencies and crisis response and recovery. Has your country had any experience in this regard?

The Prosecution Service of Georgia identified two major shortcomings with regard to international cooperation when there is an emergency. Addressing these challenges can facilitate cooperation between the countries.

Firstly, in the practice, countries did not have prioritization of cases, and they were not sensitive to urgent matters as a result. Secondly, most of the countries, especially in the region, did not admit documents electronically, which can be considered a serious boundary.

Therefore, in this regard, it would be beneficial if countries manage to establish a mechanism of urgent response to sensitive matters by introducing the notion of prioritization of cases, and accept the electronic evidence.

3. How should countries strengthen collaboration to address corruption risks arising in emergency and crisis situations, with respect to international cooperation? Please list up to three measures countries could apply that would strengthen international cooperation in this regard.

The three measures that countries could apply for strengthening international cooperation to address corruption risks arising in emergency and crisis situations are as follows:

- Always ensure timely and constructive cooperation
- Engage in informal cooperation
- Routinely exchange information and best practice

4. Have there been any efforts by your government to enhance cooperation with multilateral, international or regional bodies to address corruption and other forms of crime during times of emergencies and crisis response and recovery?

No shortcomings have been detected in the areas of judicial and law enforcement cooperation that would be indicative of the need for enhancing cooperation with the multilateral, international or regional bodies to address corruption and other forms of crime during times of emergencies and crisis response and recovery.

VI. Data collection

1. Have your authorities collected data or statistics to track and analyse trends concerning international cooperation to further prevent, identify, investigate and prosecute corruption during times of emergencies and crisis response and recovery. Are these publicly available?

The competent authorities of Georgia collect data to track and analyze trends concerning international cooperation to further prevent, identify, investigate and prosecute corruption in all areas. This measure also captures corruption in the context of emergencies and crisis response and recovery. This data is not published online.

2. Have your authorities collected data or statistics to track and analyse trends and links between corruption and other forms of crime? Are these publicly available?

The competent authorities of Georgia regularly collect data to track and analyze trends and links between corruption and other forms of crime. The data is used for the risk assessment and policy development. Some of the collected data is publicly available through the activity reports of the competent authorities.

Please outline actions required to ensure or improve the implementation of the commitments contained in paragraph 23 of resolution 9/1, as well as any challenges faced or technical assistance required.

Please describe (cite and summarize) measures/steps your country has taken, if any (or is planning to take, together with the related appropriate time frame) to explore and enhance knowledge of the links between corruption and other forms of crime, in particular organized crime and economic crime, including money-laundering, including during times of emergencies and crisis response.

States parties are invited to respond to the following questions:

I. Analyses and assessments to explore and enhance knowledge of the links between corruption and other forms of crime

1. Has your government undertaken any analyses or assessments to better understand the links between corruption and other forms of crime, including typologies of crime and how corruption may be used to facilitate and enable organized crime?

The Government of Georgia analyzed and assessed money laundering risk posed by the corruption in the context of the National Anti-Money Laundering Risk Assessment (NRA), which was adopted in 2019. According to the NRA, Georgia is exposed to medium ML risks. The range of ML activities include third party ML, cash-based ML, and abuse of legal persons. The NRA provides an overview of proceeds generating predicate offences such as fraud, cybercrime, drug trafficking, tax evasion, organized crime, human trafficking and corruption.

2. Has your government taken any measures to strengthen legal, regulatory and policy frameworks that recognize how corruption and other forms of crime may be linked and that call for coordinated anti-corruption action?

Yes, the adoption of the National Anti-Money Laundering Risk Assessment (NRA) in 2019 is one of the measures taken by the Government of Georgia to strengthen the legal, regulatory and policy frameworks through assessing and recognizing how corruption and other forms of crime may be linked. Please see the answer to the first question under this section.

3. Does your country's national risk assessment or other policy framework to prevent and combat money-laundering recognize and address the risk of laundering of proceeds of corruption and other economic crime?

Yes, the National Anti-Money Laundering Risk Assessment of Georgia (NRA) recognizes and address the risk of laundering of proceeds of corruption and other crime. Please see the answer to the first question under this section.

II. Specific mitigation measures to address corruption and other forms of crime during times of emergencies and crisis response and recovery

1. Have your country's authorities undertaken any investigations into unfair commercial practices, such as price-gouging and the manipulation of prices of essential goods and services, or bids, or abuse in the allocation, distribution, use and management of relief and recovery funds? Have your country's authorities undertaken any investigations into corruption during times of emergencies and crisis response and recovery, such as bribery of procurement or other public officials, embezzlement of profits, diversion of resources and conflicts of interest? Have any measures been applied to freeze and seize related proceeds of crime?

According to the statistics of recent years, there are no finalized investigations concerning the corruption committed in the context of emergencies and crisis response and recovery. Pursuant to the same statistics, no assets were seized and frozen in the framework of investigating corruption in the said areas.

Please outline actions required to ensure or improve the implementation of the commitments contained in paragraph 22 of resolution 9/1, as well as any challenges faced or technical assistance required.

Questionnaire

Contact Information

Country: Georgia

Government Agency: State Audit Office of Georgia; State security service of Georgia (Anti-Corruption Agency); financial monitoring service of Georgia

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Please describe (cite and summarize) good practices your country has taken (or is planning to take, together with the related appropriate time frame) concerning international cooperation to further prevent, identify, investigate and prosecute corruption during times of emergencies and crisis response and recovery.

States parties are invited to provide information on experiences, good practices and challenges concerning the following:

I. Understanding corruption risks and typologies during times of emergencies and crisis response and recovery, including transnational elements

1. Has your government assessed corruption risks during emergencies or crisis response and recovery, either through formal risk assessments or other informal means? Please provide details, such as key findings and mitigation plans. Please describe whether any other (existing) risk assessment has been carried out that is relevant to the emergency response (such as sectoral risk assessments in procurement, healthcare, infrastructure, etc) and provide details.

The State Audit Office of Georgia is the supreme audit institution, which is guaranteed to be independent in its activities by the Constitution of Georgia and the Organic Law of Georgia on State Audit Office. According to the Article 4 of the Organic Law: „*The main objectives of the State Audit Office are to promote legal, efficient and effective spending of public funds and other assets of material value, as well as to contribute to the protection of the national wealth and the property of the autonomous republics and local self-governing units, and to the improvement of the management of public funds*”.

With its work the SAO supports the Parliament in overseeing the activities of the government, as well as strengthens accountability and transparency of the public sector and ensures efficient and effective management of public finances. The purpose of public audit is to provide an independent and objective assessment of public resources management, as well as to determine how effectively the stated goal is being achieved.

The SAO examines (See Organic Law on the State Audit Office, Article 17, Paragraph 2):

- a) the spending and execution of the budgets of the state, autonomous republics and local self-government units;
- b) the soundness and legality of the expenditures and revenues of the draft state budget and the draft budget of the autonomous republics;

- c) the formation and management of the public debt and issuance of state credits;
- d) the activities of the National Bank of Georgia, within the scope of powers determined by the Constitution of Georgia;
- e) the legality of the flow of public funds in the National Bank of Georgia and the credit and financial institutions registered in Georgia;
- f) the financial and economic activities of the diplomatic service of Georgia;
- g) the spending and use of funds, including public procurement and assets of legal entities of public law;
- h) the management and use of the property of the State, autonomous republics and local self-government units, including privatization and construction;
- i) the financial and economic activities of legal entities under private law in which the State, the autonomous republics and/or local self-government bodies own 50 percent or more of shares/equity (includes state owned enterprises);
- j) the legality of use of the funds allocated for elections under the Organic Law of Georgia on the Election Code of Georgia;
- k) the spending of the State Pension Agency.

2. Please list the main typologies of corruption (corruption risks) you have identified in your country's emergency or crisis responses and recovery. You may select from the list below, and add any additional risks not listed:

Public Procurement

- Bribery of procurement officials
- Excessive use of non-competitive bidding procedures, including by single or limited source tendering, with limited safeguards
- Improper application of emergency procurement procedures allowing for expedited delivery of goods and services
- Bid-rigging (e.g. use of inflated prices)

Conflicts of Interest

- Conflicts of interest between suppliers and authorities in procurement processes
- Political appointees or persons entrusted with prominent public functions involved in, or the beneficial owners of, companies bailed out by the government or companies involved in procurement processes
- Support packages distributed according to ethnicity and/or political affiliation

3. Please describe whether the corruption risks identified in question 2 appear to be longer-term trends. Have they required new or strengthened anti-corruption actions as a result? If so, please elaborate.

The SAO's mandate covers public procurement which is a one of the highest risky areas. To promote efficient, productive and effective disposal of budget resources, the SAO implemented the new audit

approach - interagency compliance audits, which covers government-wide, thematic areas, identifying systemic problems across the public sector.

In 2021 the SAO conducted 2 interagency compliance audits on public procurement:

- Compliance audit on systemic issues of public procurement management at the central level of Government – the audit scope covered procurements made by 10 ministries during the 2017-2019;
- Compliance audit on the public procurement made by the Ministries of the Autonomous Republic of Adjara – the audit scope covered procurements made by 4 ministries of the Autonomous Republic of Adjara in 2020.

Within the scope of these audits, the SAO studied the complete cycle of procurement from the planning phase to the contraction. Based on the findings 33 recommendations were issued.

In addition, the SAO covers all municipalities based on a rotation principle with compliance audits every three years. Municipality audits also includes the audit of public procurement.

Based on the audit plan for 2022 the SAO is conducting audit on public procurement issues due to the pandemic:

- Compliance audit on Public Procurement of the Health System in Response to the COVID-19 Pandemic.

II. Addressing corruption during times of emergencies and crisis response and recovery at the domestic level

1. Please describe the anti-corruption controls, safeguards and/or measures put in place to address the corruption risks identified above in question 2. Please highlight any special measures that may have been introduced in response to a particular emergency, and whether those measures may be useful for future crises. These may include anti-corruption task forces, the use of real-time audits, transparency portals and specific reporting channels for reporting corruption in the context of emergencies, including in the areas below.

To deliver its mandate the SAO conducts financial, compliance and performance audits. All three types of audits are conducted according to the International Standards of Public Sector Auditing (ISSAIs) set by the International Organizations of Supreme Audit Institutions (INTOSAI) (See Organic Law on the State Audit Office, Article 2, Article 26):

- *Financial audit* involves examining and evaluating reports and financial statements of an auditee, and issuing relevant audit reports; examining and evaluating reports and financial statements of the Government of Georgia, and issuing relevant audit reports; examining the compliance of relevant activities and financial systems with the legislation of Georgia; checking internal control and internal audit functions; checking whether an auditee is managed properly and in good faith;
- *Compliance audit* involves checking, evaluating and reporting on the legality and reasonability of the activities of an auditee. In practice, compliance audit mainly concentrate on public procurement, remuneration, asset management and capital project management;
- *Performance audit* involves examining, evaluating and reporting on the economy, efficiency and effectiveness of the activities and/or programs/projects carried out by an auditee.

Besides, to promote efficient, productive and effective disposal of budget resources, the SAO implemented the new audit approach - *interagency compliance audits*, which covers government-wide, thematic areas, identifying systemic problems across the public sector. In 2021 the SAO conducted 2 interagency compliance audits on public procurement:

- Compliance audit on systemic issues of public procurement management at the central level of Government – the audit scope covered procurements made by 10 ministries during the 2017-2019;
- Compliance audit on the public procurement made by the Ministries of the Autonomous Republic of Adjara – the audit scope covered procurements made by 4 ministries of the Autonomous Republic of Adjara in 2020.

In 2020 the SAO conducted performance audit of *Developing Anti-Corruption Environment in the Country*¹. The audit scope covered 2 key institutions: anti-corruption council (planning policy, entities coordination and monitoring) and Civil Service Bureau (issues related to the ethics of the public servant and declarations).

In response to Covid-19, in 2021 the SAO has conducted 3 audits on the management of the pandemic in the country:

- Continuity of medical services during the Covid-19 pandemic
- Distance learning in public schools
- Support measures for Small and Medium Enterprises

The following Covid-related audits are being conducted in 2022:

1. Provision of effective remote-work environment in the public sector
2. Public procurement in the healthcare system related to the COVID-19
3. Management of quarantine zones during the pandemic

Prevention, detection and effective management of the risks of natural disasters is one of the significant issues. The SAO has conducted several audits in this filed, including:

1. A parallel audit with other EUROSAI member Supreme Audit Institutions - Performance Audit of Management (prevention, preparedness) of Flood Emergency;
2. The management (prevention, preparedness) of emergency situations caused by forest fires.

Embarking on a path of demonstrating its value, benefits and relevance to citizens according to the International Standards of Supreme Audit Institutions (ISSAI 12), the SAO highly supports and practices citizen engagement in the audit planning process. The SAO permanently receives citizens' requests from different sources, including official letters, emails and analytical web-platform - Budget Monitor (BM). BM is a unique tool developed by the SAO, which provides comprehensive information about the public finances, designed from auditor's perspective via different data visualization tools, such as interactive and user-friendly diagrams, info-graphics and tables. The web-platform enables citizens to filter, choose, compare, sort and export consolidated information about the state and municipal budgets (administrative costs, public debt, state purchases, budget deficit, capital projects, reserve funds, etc.), audit findings and corresponding recommendations in easy-to-interpret way. BM has the citizen's page, where the module of "Plan with us" enables citizens to suggest opinions about deficiencies in the management of public resources, suggest the priority spheres for future audit(s) and participate in setting up of annual audit plan. The module "Fight corruption" of the citizen's page let citizens share the information about corruption risks in public finances and support its elimination. Via sending audit requests, suggestions, proposals and informing

¹ [https://www.sao.ge/Uploads/2020/5/Performance Audit of Developing Anti-Corruption Environment in the Country.pdf](https://www.sao.ge/Uploads/2020/5/Performance%20Audit%20of%20Developing%20Anti-Corruption%20Environment%20in%20the%20Country.pdf)

SAO about the deficiencies in the public finance management system, citizens can contribute to the reduction of corruption risks.

Inter-institutional coordination at the national level

2. Please outline measures which could be taken or have been taken to enhance coordination among institutions at the national level involved in response and recovery efforts, such as Memorandums of Understanding, data sharing agreements, standard operating procedures or other formal and informal mechanisms that enable institutions to share information and respond in a coordinated manner to corruption risks in the context of emergencies.

1. The SAO cooperates with the law enforcement agencies on the issues of corruption and the signs of a criminal offence within the framework of the organic law on the SAO. According to the Law (Article 241): *“Audit materials with the signs of a criminal offences shall immediately be forwarded to the law enforcement agencies. Only the audit materials (or its part) that particularly contains the information about the signs of criminal offences is sent to the enforcement agencies. The enforcements agencies shall inform the State Audit Office about the information of decisions and its action plans on submitted audit materials.”*

The SAO has submitted 114 audit reports or specific information to the law enforcement agencies during 2018-2021. 19 cases were sent in 2021.

The Prosecutors Office reports in its annual performance report about the results and action taken on the received cases. The report is submitted to the Parliament and is publicly available.

It is notable, that according to the SAI-PMF assessment, the relationship of the SAO with the law enforcement agencies is assessed by highest score 4.

The SAO contributes to the creation of a state system free of corruption with participation in the implementation of the national anti-corruption policy. The SAO is participating in achieving the objectives set out in the anti-corruption strategy of Georgia by successfully fulfilling the commitments made under the annual action plans over the years. Moreover, SAO is the member of the anti-corruption council that coordinates anti-corruption activities in the country, updating and controlling implementation of anti-corruption strategy and action plans, reporting to international organizations, initiating corresponding legislative actions and preparing recommendations.

2. SSSG Reply:

In terms of inter-agency cooperation, the State Security Service of Georgia (SSSG) successfully continues the effective implementation of the Memorandum of Understanding on the Improvement of Effectiveness of Inter-Agency Cooperation in the Law Enforcement Field, signed on September 21, 2015. The signatories to the MoU are the State Security Service, the Ministry of Internal Affairs, the Ministry of Justice, the Chief Prosecutor’s Office, the Ministry of Finance, and the Financial Monitoring Service. The MoU ensures effective coordination between the law enforcement agencies and state institutions of Georgia on the issues related to combating various types of national and transnational crimes, including organized crime, terrorism, drug-related crime, corruption, money laundering, terrorism financing. On the basis of the MoU, each party ensures the access to its databases for other participants, the exchange of information through secure channels, the communication of information on results achieved, conduction of joint trainings, etc.

Furthermore, the unified anti-corruption policy and interagency coordination are ensured by the Inter-agency Anti-Corruption Council. Since 2015 (after its creation), the SSSG actively participates in the elaboration and implementation of national anti-corruption strategies and action plans. The SSSG, within its competence, has successfully implemented all the activities envisaged by these documents.

Transparency measures, including access to information

3. Does the government have specific measures in place to identify individuals who may be involved in, or who help facilitate, corrupt acts? Such measures may include requirements to disclose beneficial ownership information and requirements to make such information accessible to law enforcement or other authorities. For example, information contained in beneficial ownership registries or information contained in open tender portals may be used by supreme audit institutions and other oversight bodies to audit, and inform, response and recovery measures.

Georgia is planning to set up registry of Beneficial ownership in the nearest future, the detailed regulatory framework is being discussed by the relevant authorities.

4. Have your authorities applied or strengthened whistle-blower protection or reporting systems, including those that afford opportunities for confidential and/or anonymous reports, and how to address such reports?

Embarking on a path of demonstrating its value, benefits and relevance to citizens according to the International Standards of Supreme Audit Institutions (ISSAI 12), the SAO highly supports and practices citizen engagement in the audit planning process. The SAO permanently receives citizens' requests from different sources, including official letters, emails and analytical web-platform - Budget Monitor (BM). BM is a unique tool developed by the SAO, which provides comprehensive information about the public finances, designed from auditor's perspective via different data visualization tools, such as interactive and user-friendly diagrams, info-graphics and tables. The web-platform enables citizens to filter, choose, compare, sort and export consolidated information about the state and municipal budgets (administrative costs, public debt, state purchases, budget deficit, capital projects, reserve funds, etc.), audit findings and corresponding recommendations in easy-to-interpret way. BM has the citizen's page, where the module of "Plan with us" enables citizens to suggest opinions about deficiencies in the management of public resources, suggest the priority spheres for future audit(s) and participate in setting up of annual audit plan. The module "Fight corruption" of the citizen's page let citizens share the information about corruption risks in public finances and support its elimination. Via sending audit requests, suggestions, proposals and informing SAO about the deficiencies in the public finance management system, citizens can contribute to the reduction of corruption risks.

III. Responding to corruption during times of emergencies and crisis response and recovery, including through international cooperation

1. If possible, please provide examples of detected or suspected instances of domestic or transnational corruption and how these were identified in your country. If the information is sensitive, please describe the typology or give anonymized examples.

SSSG Reply:

Examples of corruption-related cases during times of emergencies or related to the situation caused by times of emergencies or crisis

Example 1: Illegal receipt of COVID 19-related compensations allocated by the Government of Georgia

In May 2020, the Anti-Corruption Agency of the State Security Service of Georgia started investigation on a criminal case under the sub-paragraphs a) and b) of the paragraph 2 of the Article 180 (Fraud) and the paragraph 1 of the Article 362 (Making, purchase, storage for sale or use, sale or use of forged identity cards or other official documents) of the Criminal Code of Georgia on the fact of attempted fraud related to making/usage of false official document by a group of persons with a preliminary agreement.

According to the investigation, under the conditions of the Covid pandemic, for fraudulently receiving 200 GEL social assistance determined by the resolution of the Government of Georgia, individual entrepreneur and related persons organized the mobilization of several dozen people and provided them with false documents confirming employment with the entrepreneur in January-February 2020. The personal data of the mentioned persons were submitted to the Revenue Service of the Ministry of Finance of Georgia, and therefore, using forged documents, they managed to fraudulently obtain certain sums belonging to the state.

Moreover, in order to obtain material benefits, the mentioned persons requested 100 GEL as a “kickback” from beneficiaries out of the 200 GEL aid provided. It is established that these individuals were not actually employed by individual entrepreneur and therefore, they did not represent the circle of persons to be assisted as defined by the decree of the Government of Georgia.

In November 2021 court rendered a judgment of conviction with regard to the accused persons and imposed proportionate and dissuasive penalties.

For additional information, view the following link:

<https://ssg.gov.ge/en/news/697/antikorufciuli-saagentos-tanamshromlebma-sami-piri-daakaves>

Example 2: False document on Pfizer Vaccination

In November 2021 the Anti-Corruption Agency of the State Security Service of Georgia started investigation on a criminal case under the sub-paragraph a) of the paragraph 4 of the Article 221 (Commercial bribery) and the paragraph 1 of the Article 362 (Making, purchase, storage for sale or use, sale or use of forged identity cards or other official documents) of the Criminal Code of Georgia on the fact of attempted fraud by a group of persons with a preliminary agreement and on the fact of making for sale or sale of false official document.

As a result of conducted investigative activities, it was established, that certain doctors, in exchange of money, prepared a false document confirming the vaccination of a person with Pfizer vaccine and illegally registered it on the official web-site of the National Center for Disease Control and Public Health. Thus, the person was determined as vaccinated and he/she was granted the benefits defined by the state within the frames of COVID-19 regulation.

According to the investigation, it was determined that the director of one of the medical centers and the doctor of the same center, in exchange for a specific amount, made a fake document confirming the vaccination of the citizen with the Pfizer anti-covid vaccine and illegally registered it on the official website of the National Center for Disease Control and Public Health, as a result of which the citizen, who had not undergone the relevant immunization, was registered as vaccinated. Accordingly, the benefits established by the state within the framework of co-regulation were granted.

In addition to the mentioned episode, the evidence obtained during the investigation proves that the action was not one-time and the defendants systematically registered non-vaccinated persons on the website of the National Health Center by making and using false documents.

In April 2022 court rendered a judgment of conviction with regard to two accused persons and imposed proportionate and dissuasive penalties.

For additional information, view the following link:

<https://ssg.gov.ge/news/729/antikorufciuli-saagentos-tanamshromlebma-komerciuli-mosyidvisa-da-yalbi-dokumentis-damzadeba-gasaghebis-faqtze-ori-piri-daakaves>

Example 3: False COVID Passes

In August 2021 the Anti-Corruption Agency of the State Security Service of Georgia, as a result of operational-search and investigative activities, arrested 7 persons on the fact of making/sale of false document.

According to the investigation, four of the accused persons, for 350 euros, prepared and handed over to a Georgian citizen for further use a fake document confirming the Pfizer vaccination against covid-19, and three accused persons, for 400 GEL, prepared and

handed over to a Georgian citizen for further use a fake document confirming the Sinopharm vaccination against covid-19, when they were arrested.

Court rendered a judgment of conviction with regard to seven accused persons and imposed proportionate and dissuasive penalties.

For additional information, view the following link:

<https://ssg.gov.ge/en/news/714/antikorufoiuli-saagentos-tanamshromlebma-yalbi-dokumentis-damzadeba-gasaghebis-faqtze-7-piri-daakaves>

Example 4: Fictitious Vaccination

In March 2022 the Anti-Corruption Agency of the State Security Service of Georgia started investigation on a criminal case under the sub-paragraph a) of the paragraph 4 of the Article 221 (Commercial bribery) of the Criminal Code of Georgia on the fact of commercial bribery by a group of persons.

According to the investigation, A person offered to a citizen, that he/she could obtain a COVID Pass without any vaccination. This person forwarded a citizen to a local medical clinic, where he/she could get a fictitious vaccination. In exchange, a person requested 400 GEL from a citizen. The procedure of the fictitious vaccination was completed as it was planned.

In May 2022 court rendered a judgment of conviction with regard to two accused persons and imposed proportionate and dissuasive penalties.

2. How did the government respond? Has your country taken any steps to identify, investigate or prosecute corruption in emergency and crisis responses and recovery? Examples may include an interagency cooperation taskforce among anti-corruption authorities, analysis of suspicious transaction or financial disclosure reports, greater cooperation across international borders, strengthening investigation and prosecution capacity, etc.

SSSG Reply:

See our reply to the first question of this section.

3. In its response, did your authorities find it necessary to seek or request international cooperation (e.g. mutual legal assistance or direct law enforcement cooperation)? Please provide details and examples. How effective do you believe the cooperation was, and what were the main challenges? Was the assistance provided, were there any obstacles?

SSSG Reply:

The cases provided in the reply to the first question of this section did not involve the international aspect.

4. Has your government received any requests for international cooperation from other countries seeking to identify, investigate or prosecute corruption during times of emergencies and crisis

response and recovery? Please provide details and examples. How effective do you believe your authorities cooperated, and what were the main challenges? Was the assistance provided, were there any obstacles?

SSSG Reply:

The SSSG has not received requests for international cooperation from other countries seeking to identify, investigate or prosecute corruption during times of emergencies and crisis response and recovery.

I. Analyses and assessments to explore and enhance knowledge of the links between corruption and other forms of crime

1. Does your country's national risk assessment or other policy framework to prevent and combat money-laundering recognize and address the risk of laundering of proceeds of corruption and other economic crime?

FMS reply:

Money Laundering and Terrorism Financing Risk Assessment of Georgia (2019), in chapter 3.1.6 discusses crime of corruption. According to the National Risk assessment report:

“Threat Level - The level of corruption in Georgia is low. Reforms targeted to increase transparency in the public sector are continuing. The fight against corruption is being actively pursued. However, high rate of corruption and illegal financial flows in the countries in the region is a risk-factor. Given these circumstances, the risk of money laundering due to corruption was assessed as Medium-Low.”