

## Caucasus Institute for Peace, Democracy and Development

## Statement

On legislative changes related to political party financing

In late December 2012, the Georgian Parliament adopted amendments to elections-related legislation mainly aimed to restrict financing of political parties from private sources and institute more effective mechanisms of transparency in this area. While these changes may be motivated by specific political interest of the parliamentary majority, namely by the a billionaire politician, Bidzina Ivanishvili, entering the political fray, the substance of these restrictions correspond to accepted democratic practices and may play important positive role in the long-term development of democratic institutions in Georgia.

Apart from regulating financial activities of political players as such, the law, when it comes to accepting donations, equates with them physical and legal persons who are "directly or indirectly linked" to them. These provisions address legitimate concern that political parties may use such persons to circumvent restrictions determined by law. However, the law does not make clear, what such "direct or indirect links" may imply. Broad public debate triggered by these amendments demonstrates that in today's Georgian society there is wide variety of opinion as to how such "links" may be understood. This alone makes us think that broad interpretation of this provision of the law may potentially be used to restrict activities of civic organizations working on issues of public policy or involved in projects aimed at strengthening the political party system.

Georgian Chamber of Control is mandated to implement this provision of the law. So far, the steps it has made in this direction do not make us think that it interprets the law too broadly and uses it to abridge civic activities. However, one cannot fully rely on prudent interpretation of the law by the Chamber of Control, especially provided that its decisions cannot be contested in court. More is needed to alleviate legitimate concerns of the society.

Namely, it is necessary to ascertain on the legislative level that in the context of this law political activities only implies actions aimed at winning elections and gaining political power, and does not in any way concern civic activities such as public policy advocacy, support for political party development and the like. The legislator should also adequately address other concerns created by this legislation with regards to potential restrictions of civil rights.