

1.1. UNIFORM STATISTICAL DATA

According to the documents available to the Media Development Foundation (MDF), in 2015 budgetary organizations³ signed contracts worth GEL 8,202,729 with media outlets for providing advertising and information services⁴.

However, presented data might be a conditional figure owing to the following circumstances:

- Some legal entities subordinate to the ministries, as well as separate agencies with public authorities established by the state are reluctant to publicize information.
- Courts have a different practice in terms of obligating such organizations to publicize information. For example, on June 11, 2015 the Tbilisi City Court made a precedent decision and obligated the Ministry of Agriculture's non-entrepreneurial (non-commercial) legal entity – Agricultural Projects' Management Agency to publicize information about the amount of money transferred to media outlets with the purpose of receiving information services, no matter whether public funds were the source of financing if this is related to the public functions of the agency. The complaint filed by MDF against JSC Georgian Energy Development Fund is still under consideration for already 16 months and the complaint against the Ministry of Economy to publicize the amount of funds transferred by the Georgian Railway and the Georgian Post for providing advertising services by media was rejected by the Tbilisi City Court.
- Editor of For.ge news agency, Rozi Jgamaia said in the interview that along with a number of ministries, the news agency has also signed contracts on advertising services with JSC Georgian Railway. It apparently means that the amount of funds transferred by public agencies is much higher than the available data presented in this report.

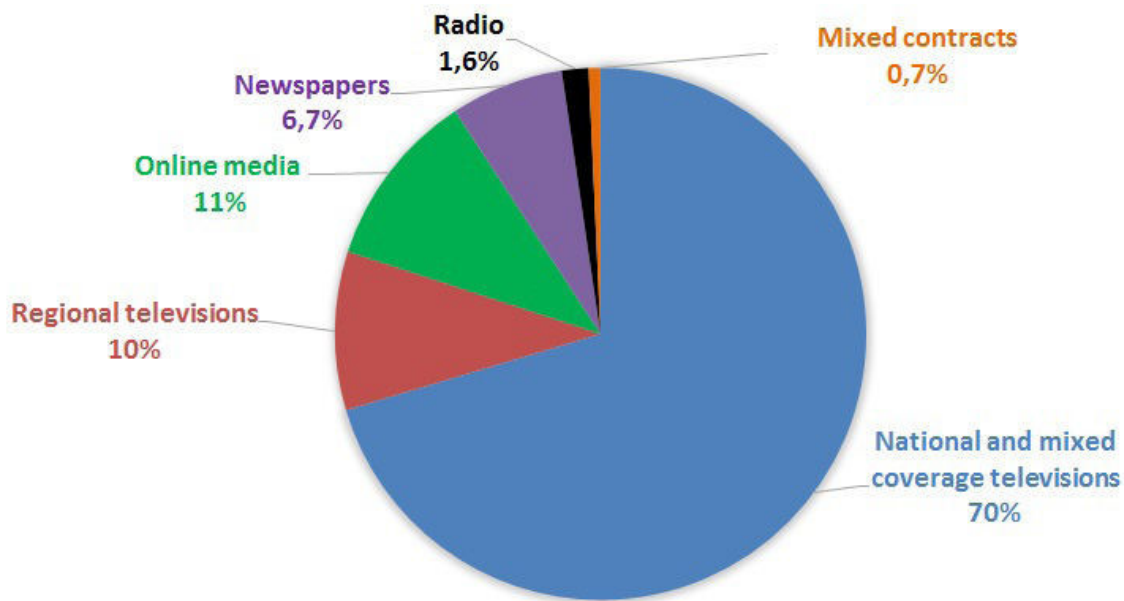
GEL 8,202,729 was distributed among media outlets as follows: 70% accounts for national and mixed coverage televisions⁵; 10% – regional televisions; 11% – online media; 6.7% – newspapers; 1.6% – radio; 0.7% – joint contracts involving various types of media outlets. Since certain contracts do not make it possible to identify what types of media received funding, we separated the data into a category “mixed contracts.”

³ 17 Ministries; Administration of the Government; Administration of the President; National Security Council; Parliament and 2 agencies subordinated agencies; Prosecutor's Office; 2 Courts, 3 agencies under Ministries' subordination, one embassy is included; 56 legal entities of public law, 4 Joint-stock companies (JSC), 2 non-profit private legal entities (NPO), 9 Limited Liability Companies (LTD), 4 structural entities of Government of Abkhazia and 4 – of Government of Adjara, 2 Governors offices, 17 Tbilisi city hall and municipalities, 55 regional municipalities and 8 structural entities subordinated, 14 regulatory and independent agencies.

⁴ The budgetary spending in media for this purpose presented in the report Media Freedom 2015, released by MDF in early 2016, was a total of GEL 7,173,955. After analysis of additional government agency's documentations in the database of the State Procurement Agency, initial data was increased by 1 028 774 GEL. Chapter 2. Financial and business environment. <http://mediameter.ge/en/research/media-freedom-2015>

⁵ Mixed coverage broadcasters unite those televisions, which cover various regions after digitalization.

Chart 1.1. Distribution of budget contracts by types of media



1.2. PROCEDURES FOR SELECTING MEDIA OUTLETS AND DISTRIBUTING PUBLIC FUNDS

The key goal of interviewing the representatives of public relations services at various public agencies was to clarify what criteria were used by budgetary organizations in the process of selecting media outlets for the purpose of advertising/information campaigns; whether there are clearly defined criteria, standards and procedures for selecting communication channels, which define the government's communication policy and rule out selected approaches.

Out of 22 respondents, representing 19 ministries, government's office, President's office and Tbilisi municipality's public relations department, the representatives of only 14 agencies gave their consent for face-to-face interviews, whereas 8 agencies⁶ provided their answers in writing.

Out of 22 respondents, only the representatives of the Ministry of Energy and Ministry of Environment and Natural Resources Protection said that their agencies do not purchase the services of news agencies for disseminating information and instead communicate with media through sending information via e-mail; it also uses press conferences and briefings for informing the public.

Although the representative of the Tbilisi City Hall's Public Relations Service said that the agency does not purchase the services of any news agency and separate local executive bodies use only photo services, the contracts available at the State Procurement Agency's database provide quite a controversial picture. In particular, the Tbilisi City Hall has signed a contract with IPM Research, which envisages informing the public through four news agencies.

⁶ 1) Ministry of Regional Development and Infrastructure; 2) Ministry of Finance; 3) Ministry of Corrections; 4) Ministry of Culture and Monument Protection; 5) Ministry of Internal Affairs; 6) Ministry of Economy and Sustainable Development; 7) Ministry of Environment and Natural Resources Protection; 8) Government's office.

The representatives of the Ministry of Energy and the Office of State Minister for Reconciliation and Civic Equality said that their agencies do not place paid ads on TV channels and mostly use social ads, which, according to the law, are aired free of charge. The representative of the Ministry of Energy said that various units of the Ministry make decisions on purchasing services to place ads and disseminate information independently.

When asked what criteria are used for selecting media outlets for advertising/disseminating information, 13 respondents indicated ratings and market research, 6 – target audience, 6 – coverage area, 4 – tender results and 2 – law. Although the law does not regulate the following issues, 2 indicated impartiality and reliability and 1 – experience.

It should be noted that newspapers do not indicate their circulation on their editions; the system of interviewing online portals is not perfect; the only regular poll is conducted in terms of TV (at national level) and radio ratings.

In addition, only six respondents noted that they outline media selection criteria in their service contracts. When asked whether an agency has its predefined selection criteria, all agencies gave a negative answer.

Chart 1.2. Procedures existing in administrative bodies for advertising/disseminating information



To ensure openness of the process of selecting media outlets and competition, eight respondents named a tender; six named legal requirements in their written answers; two named proposals offered by media outlets; two others – low price in order to cooperate with as many media outlets as possible.

The Ministry of Justice optimizes funds through consolidated tenders, doing it along with legal entities of public law under its subordination that enables to purchase more advertising time at a lower price.