# **Opening Speeches**

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The reorganization of the MoD envisages the establishment of a highly effective and rational organization from the management of the Ministry and General Staff to the units, which ensures an efficient decision-making process and goes inline with the process of strengthening democratic institutions. The most important component in the reform of the defence system is the improvement of institutional management to secure the democratic control of armed forces, and the improvement of the effectiveness of the defence resource management system.

The paramount importance for Georgia is to modernize its armed forces, to make it NATO compatible and interoperable for further integration into Euro-Atlantic security structures. In this regard, significant steps have been carried out:

#### Restructuring the Security Sector

As part of the restructuring process of the security systems, all combat units and heavy equipment of the interior troops have been transferred to the MoD. The National Guard has been transformed. All of its combat units and heavy equipment have been transferred to the land forces. The main tasks and missions of the National Guard are: reserve training, mobilization, and on call support to civil authorities in disaster relief operations. The Border Guard Department has been subordinated to the MoI. The Ministries of State Security and Interior have been merged into a single Ministry of Public Security and Police.

As a consequence of these reforms, the only governmental body responsible for national defence is the MoD. The Ministry of Public

Security and Police was established as the agency responsible for public order and internal security. All of the above-mentioned changes have significantly reduced overlapping missions among the different state agencies and have increased the effective distribution of resources among them.

# Establishing civilian control over the Armed Forces (AF)

The security sector deals with vital missions of the state. Therefore, it is especially important to have effective democratic control over the security field, as democratic civilian control of AF ensures accountability and legitimacy for the maintenance of state force, and if necessary its use.

Major steps have been taken in this regard in the recent past. Georgia has established a necessary legal base for implementing democratic control over the AF. Several new laws and amendments to the old ones have been passed.

Major mechanisms of democratic control over the military forces are defined in the Georgian constitution, Georgian law on national security, law on defence, law on parliamentary committees, law on trust groups and other legislative acts. The constitution of Georgia draws basic lines in defining responsibilities for the three branches of government: executive, legislative and judicial in the security and particularly defence sector.

#### The Parliament

Within the limits prescribed by the constitution, the Parliament of Georgia represents the supreme legislative body, defines the main directions of internal and foreign policy, and exercises control over the activity of the government.

Legislative activities: The parliament is responsible for adopting laws.

One of the mechanisms for exercising control over the government defined by law, is the parliament's participation in the process of appointing the highest authorities of law enforcement agencies and the MoD. Parliament discusses and approves the proposed

candidates for the highest positions. Once in office, they are obliged to submit full information related to their activities to the proper parliamentary committees. Members of the parliament are also authorized to raise questions about whether their impeachment is consistent with the circumstances stipulated in the law.

The most important element of the parliamentary control regarding the AF is the defence budget appropriations and oversight of the annual budget execution. This provides transparency and accountability of defence spending.

The security and defence committee of the parliament discusses all defence issues before submitting them to the parliament. These issues mainly obtain legal and budgetary concerns.

#### The President

The constitution of Georgia defines the authority of the President in controlling the AF. He is the chief supreme commander of the Georgian AF. The President appoints and dismisses the higher command of the AF and approves military ranks above the level of colonel. He presides at the consultative council on national security, the status of which is established by law. The National Intelligence Service is under his authority. The President can declare a general or partial state of emergency in accordance with Georgian law.

#### The Cabinet

The Prime Minister is the head of the minister's cabinet. He selects the cabinet and presents it to the parliament for adoption. The cabinet elaborates and implements the overall government policy according to the presidential guidelines and directions adopted by the parliament.

#### The MoD

Major changes have been implemented in the legislature regulating the defence field. At the beginning of 2004, Georgia appointed the first civilian Minister of Defence who is a member of government. Currently, the MoD is comprised of approximately 85 percent civilians. All the

leading positions, from the Minister down to the department directors of the MoD, are occupied by civilians.

According to changes in the law on national defence in 2004, roles and responsibilities between the MoD and General Staff (GS) have been clearly defined. The responsibilities of the MoD are:

- Defence policy and planning
- Defining short and long-term threats
- Exercising oversight on budget expenditures and resource management
- International defence co-operation
- Participation in the elaboration and implementation of international agreements and conventions
- Co-operation with civil agencies
- Development of research and technologies
- Refining defence legislature and ensuring transparency in civilmilitary relations
- The GS is responsible for the implementation of the policy set by the Ministry, force planning and development, operational planning, command and training of the AF.

#### Public information and awareness

The MoD of Georgia encourages the participation of civil society in developing defence and security policy. Non-Governmental Organizations (NGOs) and independent experts are involved in different defence issues and projects.

Permanent meetings are held at the MoD, where high level officials of the Ministry brief representatives of the mass-media about ongoing processes and changes. This raises transparency, public awareness and confidence towards the military sector.

The Georgian administration code regulates the affairs of the executive branch of the Georgian government and determines public and secret information. According to this code, every citizen has the right to request public information at the administrative institution, to receive copies of such information, except for information that is defined as confidential by law.

Defence budget expenditures are transparent to the corresponding agencies.

## Structural reforms and optimization of the management system

To improve the level of management and to ensure transparency in the Georgian AF, several structural changes were carried out in the MoD of Georgia during the years 2004-2005. In particular:

Merger of the finance and procurement departments, which ensures the transparency of procurement and finance management systems.

Division of functions in the logistic field. The J4 is responsible for planning, and the logistic support department ensures the implementation of the planned activities.

The creation of a unified personnel management system – the establishment of a single body is responsible for human resource planning and management, which helps avoid the overlapping and duplication of functions.

## Elaboration of conceptual documents and development plans

To effectively implement the defined priorities, the MoD of Georgia, during its strategic defence review, has elaborated and drafted the following conceptual documents:

- Threat assessment of Georgia
- National military strategy
- Concept of development of personnel management system
- Concept of development of recourse management system
- Logistics development concept
- Reserve training concept

To successfully implement the above documents and launch the development plans, the MoD of Georgia has established an effective tool for the decision making process. The recommendations are designed by specialists of the MoD and are then submitted at the political level for consideration. The approved recommendations are then given back to the specialist level for their direct implementation. This scheme allows

for an effective chain within the decision making process and establishes the efficient steps needed for the implementation of given decisions.

# Establishment of effective defence resource management system

The MoD of Georgia has started to establish an effective resource management system, which includes the development of the integrated planning, programming, budgeting and execution system, to develop the Georgian AF mid-term and short-term development plans and programs based on existing concept documents.

In this context, the MoD of Georgia has created a database, which establishes a resource management system and develops the methodology and basic parameters of the life cycle for all units and equipment in the Georgian AF.

During this process the MoD of Georgia will develop, from 2006 to 2008, development plans and programs in accordance with the three-year budgeting parameters submitted by the Ministry of Finance.

As a result of a significant increase in the defence budget and the implementation of institutional changes, the social conditions of military and civilian personnel have been significantly increased. The appropriate salary slots have been allocated according to the military ranks and civilian positions. An improvement of the allowances system for military personnel is planned for 2005. A substantial improvement of the infrastructure is considered to be one of the MoD's development priorities, relating to aspects like the quality of life. In 2004, a part of the existing infrastructure was improved. For the year 2005, significant funds will be potentially allocated (approximately 30 Million Gel).

Institutional changes and reforms serve as the background for the further enhancement of the NATO integration process.

In this regard, Georgia considers IPAP as a mechanism to enhance political dialogue and consultation between Georgia and NATO and to ensure appropriate cooperation with NATO by encouraging and sustaining relevant reforms in the country.

One of the most important steps has been the start of the strategic defence review process in September 2004, which covers the elaboration of conceptual documents and development plans, and the establishment

of optimal force structure in accordance to the available threats and recourses.

The timely and complete fulfilment of IPAP commitments will give Georgia the opportunity to enter a new stage in its relationship with NATO.

Georgia strives to become a valuable partner in the international community by preserving peace and stability. It further considers the participation in international peacekeeping and stabilization operations as a tool to increase the NATO interoperability level in the Georgian AF.

Finally, I would like to stress that the Georgian MoD is confident that it will continue defence reforms aimed at further development, optimization of the management system, improvement of the social conditions of military servants, and the establishment of an effective force structure corresponding to its threats and challenges.

Georgia intends to enhance the level of cooperation with NATO and will continue to contribute to international peacekeeping and stability operations.

The country's efforts will serve as the basis for a safe and secure Georgia, which will become a prosperous nation that is fully integrated into the Euro-Atlantic institutions and will be a respected partner of the international community.