



INNOVATIONS FOR SUCCESSFUL SOCIETIES

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SCHALKWYK: Today is the 4th of May, 2009. I am with Mr. Jaba Ebanoidze, the Deputy Minister of Justice in Georgia. We are at the Ministry of Justice on Rustaveli Street. Before we start talking specifically about some of the reforms you've been involved in, could you tell me briefly what your current position entails and what you do as the Deputy Minister of Justice and some of the positions that led up to this position that you currently hold?

EBANOIDZE: *Yes. Now my position is Deputy Minister of Justice and I am coordinating organizations like the Public Registry, Civil Registry, Bureau of—National Bureau of Enforcement, Chamber of Notaries, Public Archive and now my responsibility is step by step to help these organizations to start use of new technologies in their service and to make their services more effective and flexible for citizens.*

So before to be appointed to this position I was Chairman of the Public Registry office. During three years we were doing some reforms in the Public Registry. Exactly this reform was about to use new technologies. We were developing some web programs by which we mean quite simple services of the Public Registry. We had some quite serious progress and success as a Public Registry.

Later I was appointed to the Ministry of Justice, now to distribute the same experience in other organizations. Before the Public Registry I was working at the NGO at the Association for Protection of Landowners' Rights. During seven or eight years I was working in this NGO.

SCHALKWYK: Until when? When did you stop doing that? When did you move to the Public Registry?

EBANOIDZE: *I left the Public Registry just this year. At the Public Registry I started in 2006 and before I was working at the NGO APLR (Association for Protection of Landowners' Rights)*

SCHALKWYK: So I'd like to focus this conversation on your work at the Public Registry and now what you're doing at the Ministry of Justice. Could you tell me what were the issues and challenges facing the Public Registry when you first started working there?

EBANOIDZE: *When I started there was a very serious problem at the Public Registry office because first of all legislation by which regulated this activity, the Public Registry, was very difficult. For citizens to do registration of their ownership rights or some other rights in the registry office, it was terribly difficult. It was necessary to do a huge amount of documentation for registration and it was quite difficult for a simple citizen to collect all these types of documentation. Out there if someone is collecting all the documentation and submitting to the registry office. At the registry office, the process of registration was also quite long and there was serious corruption at the registry office, because if a person was paying some additional money, registration for this can be done in one week; if someone was not paying any additional money then the registration process was continuing for maybe one month, two months, or three months. For people who wanted to do registration and opted to use property as collateral or for other purposes so it was very difficult to wait a few months for this document.*

So when I started the first step that we made was to simplify and streamline legislation. So we made some changes in main laws by which activity of the registry is regulated.

SCHALKWYK: That was done through the legislature?

EBANOIDZE: Yes. Of course some of the general frame is in legislation, in laws. But we also afterward added some internal instructions which regulated some internal activities in the function of each person at the registry office. So this was the first step by which we managed to decrease the amount of documentation necessary for registration. Also the main problem at the beginning was that in many cases some other state organizations were using Public Registry as a filter.

For example, the tax department. The tax department wanted to make citizens, pay all kinds of taxes before registration—taxes connected to the property like a property tax, income tax and some other taxes. So every time this tax department was pushing us also to requests from the citizens, some additional documents like please assure us that you already made your income tax and property tax, which was not really directed to the Public Registry. It was like we were doing some additional work for the tax department.

So by—and we have the same type of negotiation with another organization and by changing the legislation we eliminated this process. So we started to request only the documentation that was necessary to do the registration for ownership rights. And another function was just given to other state institutions.

SCHALKWYK: Before you go one perhaps could you explain what the Public Registry does?

EBANOIDZE: The Public Registry is doing, just to record information about ownership rights. So we have two kinds of data, the first is just alphanumerical data which describes who the owner is, a description of the property by which documentation, this ownership was given to this person and like this information. The second type of information is graphical information where we have some maps and drawings of the parcels and buildings. So together these two kinds of documentation are like a cadastral information and totally it is Public Registry information.

So one function is to do registration and another function, the most serious function of the registry office, is to make this information open for the public. So if someone is doing registration of his rights, at the registry office another third person must have the possibility to know about this. For example, someone would register his ownership rights and if this person would like to sell this property, another person who is a potential buyer of the property must know that yes, really this right is registered, yes, really this person has no problem, it is his property and this property has no problem with registration. So after registration, this problem is stopped. This is the main function of the registry office.

SCHALKWYK: Right.

EBANOIDZE: Of course there are some additional functions like you know sometimes property is used as a collateral, so this hypothecs must register this at the registry office. Also sometimes property transactions are blocked by court, so this information is reflected also in the Public Registry office. The Public Registry is showing main document extract from the Public Registry and this extract is reflecting all kinds of information about the owner and about the property—if there is some restriction, some block, or any kinds of rights what is registered.

SCHALKWYK: When you took over, who was responsible for the Public Registry when you became in charge? What was the line of command and which ministry was in charge?

EBANOIDZE: When I started the Public Registry was under the Ministry of Justice. The situation was approximately the same as what we have now. Also the main reform we made is that the Public Registry office today is a fully self-financed organization. So from the beginning, when the Public Registry was established, the Public Registry was receiving finances from the state budget. But you know that the state budget every time is not enough, so the organization needs more and more finances. Later, as of 2005, the new precept was established by legislation that the registry office could receive self finance, all the fees that were paid in the registry office by citizens. So this money was going directly to the Public Registry budget, not to the state budget.

So when I started we just made this system stronger. So we added some additional services, for which we have some special fees. These fees are established by law, not by the Chairman of the registry or by the Minister, but directly by law. So Parliament adopted these changes. Also what we made, from the beginning, from the beginning the Public Registry was issuing different types of documents.

For example, if you wanted to know who was the owner of the property, you were receiving one type of extract. If you wanted to know if there was a court lien or any restriction from the court, you wanted to receive another type of document. Also, if it was necessary to see the name of the parcel, you wanted a certain type of document. For each document it was necessary to submit application, to wait for each of them, to pay for each of them. So it was quite difficult for citizens.

After reorganization we altered the instructions, so we combined the information on paper. So now a person can come and buy one paper and receive all types of information. So this is like a one-stop shop principle by which we made our services quite simple for citizens.

SCHALKWYK: So you said that you introduced a couple of new services.

EBANOIDZE: Yes.

SCHALKWYK: For which you charged fees.

EBANOIDZE: Yes.

SCHALKWYK: What sort of services were those?

EBANOIDZE: First of all it is quite important that when I started as Chairman with the Public Registry office, first what we made was we developed special software for registration. With the software we were regulating two things, one was management of the back-office activity. So from the beginning it was necessary that all documentation at the registry be done by hand. So persons were sitting and they were filling out these forms in pen so it was quite difficult and each registration went on for a few days. So we established new software in the back office so all data were put in database and data any kind that was necessary for registration was printed out from this database. So by this process we accelerated internal activity of our staff.

Also, in parallel we developed the web part of this software. So what this means is that we allowed our citizens to submit their applications through the internet. So without coming to the Public Registry office, from their home, from their office, if they have computer and internet of course, they can submit their application to receive extract or to make some changes in already registered rights. So we

established a web payment system. So this was a new service that we gave to our citizens.

Plus from the beginning, the registry office was like a closed organization. What we, what say we are doing, just they are doing and information, final information was given only to the citizen and to our customers. But after, when we established this web page person, any person, where they are submitting their application, through the internet they can see the process, what is happening with their application. There are really three or four stages to finalize registration. So each person can see. Okay, application submitted. After the second step was done, [Indecipherable] done successfully. The third step is done successfully and the fourth and it's result. So they can, they get their print out as a result, a final document.

From the beginning, any document that was issued by registry office needed to be stamped and signed by a registrar or by a person who was responsible for doing that. This was quite a very problematic issue, because from our side, we wanted to introduce new technologies by which people through the internet could sit and also must receive the final document, but the stamp and signature was a serious problem. From another side, yes, in our country we had quite an active discussion about electronic signature, e-governance. But practically we did not, even today, we don't have this mechanism working in our country.

So we established a new principle by which we eliminated from our documentation signatures and stamps, and we say that the original document is put on our web page and any printed document is a copy of this original. Any person who is receiving this document and who is using this document, can compare this with the original on our website. So any person was guaranteed that they have a chance to check this document. So after this we eliminated stamps and signatures. Of course, from the beginning it was very difficult for us because in Georgia, it is a former Soviet country and in former Soviet countries you know that official stamps and signatures have quite a big following. Only by this document, can have like this.

Also with the Parliament, the government had a very hard discussion about how an administrative body can issue a document without a signature and a stamp. But every time we were showing examples, for example, you are seeing a check. Does it have any signature from bank? For example, I am checking the balance on my credit card. So I am receiving this check from the bank. So it is an automated system by which the bank guarantees that information we have received from them, it is real information.

SCHALKWYK: Like from the ATM machine that you receive.

EBANOIDZE: *Yes, also from the cashier. When I am receiving this check about what I paid. Never person going to the bank or someone to stamp this document and only after I can use this in my account system. No, directly I am taking this paper and using it in our account showing that it is expenses, yes. All that was done. So we are doing the same as the registry office. So if banks and tax department and some [Indecipherable] organization can use this automated system, so the Public Registry office started to use this automated system.*

After a few weeks where society already started to use this and now, of course, later, everybody understands it, this is really a very effective way. Also most important is that we have, at the registry office we had two types of customers. One is the citizens. Their idea is that they are coming or sending an application

and they must receive just extract, yes. But another type of customer is our customers like banks, lawyers, surveyors, people who have very frequent connection with our offices because it is a business and they wanted to make their business more effective. So we also made some serious changes in new services for them.

So first of all in our software we had principal of authorization of outside customers by which we delegated some of the function from the Registry Office to them. For example, if the bank is sitting or so, people, who are employed also by the registry office and by bank together, and those people are doing service of the citizens who have some activity connected with the bank. For example, I am a person, I would like to receive credit using my apartment as a collateral.

From the beginning, it was necessary, the bank was asking for an extract so a person was going to the registry office, taking an extract. For this was necessary at the beginning one week. After, they were showing this extract to the bank. After, the bank wanted some time to decide. After they decided, they were doing the agreement. After, the agreement also must be brought by a person to the registry office, again waiting another week for the extract, showing this to the bank that you're already registered it. Only after that he was receiving credit.

So we made this process more simple. So when a person is asking for credit and if this person has some guarantee, some property as collateral, so directly at the bank office there is a one-stop shop system. Directly there from this person which is employed by bank and by registry office together. From this person, directly at the bank office, the person is seeing the extract, the bank is deciding to issue credit. From the bank directly is registered at this hypothec right and bank and in just maybe in a few hours or in a few days, directly issuing credit. So this system is working very well. Today Public Registry offices have this representative and service centers in each bank, in each field office private banks. So this is very effective and from the beginning if 100% of the customers were going to the registry offices, now today approximately 40 or 45% of the customers are just visiting bank offices or they're using the internet. Just 50 or 55% of the customers they are again visiting our registry officers.

So by this principle we decreased the number of people, of the visitors, queues at the registry offices. So now the registry office is now working more effectively.

SCHALKWYK: So who employs the, you said those people at the bank are employed by both the bank and the registry. So are their salaries paid by both?

EBANOIDZE: *By both, but mostly by bank. So the registry office has a limited budget and from one side this interest who has in the bank office, person which has right of registration. It is in the interest of the bank. So we had negotiation with the private banks and said, "please, we can allow our staff, or person, to be employed by us, but most of the select will be paid by you," and they were agreed.*

SCHALKWYK: So who selects, who would chose the person?

EBANOIDZE: *They were proposing, the bank was proposing, but after we were selecting from the proposed people who it can be after we were doing two weeks training for this person and when we see that they have, passed this testing process only after that they are employed by the registry office. The Public Registry is an entity of public law, so it is not like a state organization which is limited that employees cannot work in another place. So this limitation has no entity of public law. So we*

are using this precedent. So we made serious economy from our side, the salary was mostly maybe 95% of the salary was paid by bank. We were paying just per day two Lari so it was approximately one dollar per day. It was very symbolic. Because to say that this person is our staff person, he has the right to do this activity and from another side we made our service very effective because people would like to submit any kind of application to receive an extract.

So this person must decide. One option is to go to the registry office, which is one office in Tbilisi in the center. Another is not to go to the center, just to go out from his home to say which bank office is close and to enter this office and he can receive all kinds of services at the bank office. So there is no difference between services at the registry office and services at the bank. It is approximately the same.

SCHALKWYK: The electronic era.

EBANOIDZE: *Yes, yes, most important is the Public Registry office. From the beginning, we started to put our budget for new equipment. We made, we built serious systems, there was IT infrastructure, plus today I can say that most developed IT infrastructure and IT management have a Public Registry office because sometimes for some Ministers and for some heads of organizations, sometimes it is difficult to understand what IT management is by saying it is IT, how they're making their services more effective by IT. So we started it from the beginning. We collected some good programmers, good managers and in a few months we already had some good results. We introduced a new web-based program.*

SCHALKWYK: So when you joined the Public Registry, what were the goals of the reform program and how did you go about setting those and who was involved in that process?

EBANOIDZE: *First of all, of course, most of the reforms and the changes were planned by us, by the Public Registry. Of course, we were coordinating all these reforms with the Ministry of Justice because without support from the Ministry of Justice to implement this series of reforms, it was not possible.*

SCHALKWYK: So what sort of support was the Ministry of Justice providing?

EBANOIDZE: *Just to develop changes in legislation in [Indecipherable], to be passed these changes at the government meeting discussions and later at the Parliament of Georgia. So from the Ministry of Justice, generally this support was done. Because it is not so easy, yes? The Public Registry can prepare some ideas and changes, but these ideas have to be passed to the Parliament, it is not so easy. So from the Ministry of Justice is for serious support. Also, to issue a document without stamp and signature. I myself can say that this idea was there by the Public Registry office, but we had serious support from the Minister of Justice. Only by this support was the law was passed.*

Of course, we also had very effective support from international organizations. First of all I'd like to underline that the USAID (United States Agency for International Development) project business climate reform project helped us because when we were developing some ideas, we wanted to compare them with another country's experience. This project was helping us to invite some experts who were telling us which way is more effective, how can we organize. Of course, today, the system of registration, what we have in Georgia, it is, I cannot say that we just duplicated some system from another country, no. It is really a Georgian case. But we had some study tools, some visits of international

experts. We had some discussions and after these discussions we were deciding some ways, what to do and how to do it.

SCHALKWYK: So what were some of the countries that you were looking at and what were some of the other options that you considered?

EBANOIDZE: We had quite a good relation with SIDA (Swedish International Development Cooperation Agency) and SIDA helped us to see the situation in Sweden, what kind of systems they have. We know very well what is done in their country and also we had studied tools a few times to see how they are creating this database, especially the graphical information, how it was managed. So they helped us somehow to develop first of all the system. First of all we were looking at some countries from Europe, like Spain, because they have quite developed registration systems. Mostly there were two models. We were looking to these models and using some good experience, we developed our own system.

SCHALKWYK: So what were some of the things that you decided not to do or some of the examples that you looked at that you decided wouldn't work in Georgia?

EBANOIDZE: I can say that when we were looking and visiting European countries, even though Europe is divided in two parts, western part of Europe which they have quite very long tradition. For example, registration system, they have 200 or 300 years, and they have some old traditions. Now, even for them to use new technology and to jump to use modern registration systems, even for them it is very difficult. So every time he says it. Examples from Western Europe are not suitable for Georgia.

So because after we decide or so to see what is happening in the eastern part of Europe, because in the eastern part of Europe there are many countries that are former Soviet countries, again, or we are in like Soviet countries. So they are just starting from the last century when it started some changes, some reorganization. Also there is a very good example: Estonia. They were in a similar situation, they had a similar situation. Former Soviet country started some reforms. They have very good reforms. So we started to see what is happening in Eastern Europe and we were using mostly the model of Eastern Europe.

For example, we had some projects from the general government. Yesterday we made some schedules work in Georgia. They were helping to develop our system. Also they were proposing some ideas that they are using in Germany, but our ideas was not to do that, what they are doing in Germany.

SCHALKWYK: So what sort of things were they doing in Germany that you didn't want to do?

EBANOIDZE: Their database and registration is looking like what we are doing just a few, three years ago, filling in by hand documentation, because it is their tradition, the same, just bib books and the person was see it through some notes and by laws. Everything must be filled out by hand. Also they have some special calligraphy and something like this. But, I know that this last one or two years, even in Germany they started to say, they are thinking seriously about reorganizing the registry system.

SCHALKWYK: What was the real motivation for changing the civil registry, who was providing the push to change it and why?

EBANOIDZE: So this push was from the public. The problem was that—when I started, let's take the Tbilisi registration office because, you know, the property market is very

active with the police. The population in Tbilisi is very high; we have approximately half of the population in Tbilisi. When I started per day we had 300 applications in Tbilisi. So 33 applications was a number which was not very difficult to serve these people but you know that starting from 2005 our government started some serious reforms, especially, the main focus of our government was economic reforms. So economic reform directly means that the property market will be more active and more developed and so people will use properties and also some outside investors will be interested to buy some properties in Georgia.

After six months when I was appointed, after six months, the number of registrations was increasing by approximately 500 or 600 per day. So first of all we were presented with the headache of how to serve so many people, because Public Registry offices were not oriented to serve such big numbers of people. 300 was like the top limit of the registry office to serve visitors.

So when we see that the number of visitors is increasing—after six months we had approximately 600—we knew that also step by step this number will be increased so we started the organization's reforms. Without reform, how can we serve such a big number of people, nobody knows, even at our offices? This was the first push to start the reform, to start the change.

SCHALKWYK: Okay. As chairman, who was the person—who did you report to? Did you report to the Minister of Justice?

EBANOIDZE: *To the Minister of Justice, yes. Regulation is such that the Chairman of the Public Service is appointed by the Minister but after all staff is appointed by Chairman to the public registry office. So we had, we made those changes in legislation by which we made full responsibility to the registry office because you know that if a person who is appointed, appointed not by you and you are asking some function, doing some function, you are asking for some results and this person is not correctly subordinated by you, it is at time more difficult to manage the staff.*

So our first principle is that all responsibility about management of the staff was given to the Chairman of the registry office plus also there was a self-financing system and procurement of the equipment, all types of the expenses, what was done by registry office, it was decided directly by staff and by chairman of the Public Registry.

SCHALKWYK: So could you describe some of the procedures and standards used in recruiting people to the public registry?

EBANOIDZE: *Yes, the standard is general. So when we want to hire someone in a position what is requested by us, so we are announcing vacancy. Sometimes by newspaper, but mostly we use a special web page, job. All state and all private companies are using this web page. So we are announcing and receiving applications and after we have a special commission and we choose some people from these applicants.*

SCHALKWYK: Did this process change as a result of the reforms going on at the Public Registry?

EBANOIDZE: *No, again, this is like a standard. What we are using and the public registry office is developed or not developed, so we are continuing to use the same procedure. Sometimes when we already knew that there is a person whose skill and experience is very good, you know that especially for example, he is a good*

lawyer, good programmer. If we know that this person now is free—he left some organization or something happened with organization, so he is without a job—of course we sometimes hire him directly, this person, because we already know that he is a good professional and we were not following this procedure. But if we did not know any person where we are confident that he is a good professional then we announce this competition.

SCHALKWYK: Who set the rate of pay for people within the Public Registry?

EBANOIDZE: The Chairman of the public registry because we had from the beginning of the year...we are establishing a budget from the registry office plus also a salary budget and we had this, how to say, list of the stuff and of course a list of the stuff was also approved by the minister, but just positions, for example how many lawyers must be done, how many registrars, and how many drivers. But who must appointed there by name no, and also what was the salary no. Policy of the—salary was given to the Chairman of the Public Registry. So at the time I was deciding who would I say how much.

SCHALKWYK: And how did these salaries compare to the private sector?

EBANOIDZE: This is a good question.

SCHALKWYK: And did that change?

EBANOIDZE: Every time, so last time as a state organization, every time there was a small salary. If a person wanted to get some job every time, everybody was trying to get a job in the private sector because salaries in the private sector were always higher than in the state sector. The public registry was quite a flexible organization, so we increased salaries and increased them to be equal to the salary of the same profession in the private sector, especially for the IT team. Salaries were increased seriously because every time in Georgia we had a problem with the programmers, the IT managers because private organization, banks, they are every time trying to kidnap some person from another organization to invite them to their organization and they are issuing, proposing very high salaries.

So from the beginning we also had this problem because when outside organizations saw that look at the registry office, there are some good programs, so they have good programmers, they started to attack our old IT team. But later we increased our salary heavily. It was sometimes equal, sometimes higher than in the bank. Only after this we managed to keep all these people, good lawyers, good programmers. You know that we have a different type of staff.

Some of the professions, if somebody is leaving, you can just the next day find a new one, like a human resources manager or a counter. In Georgia it is not a problem now to propose a good salary and you can just in a few days find a good professional, but when you are speaking about a lawyer, about a programmer, and about some staff like the IT management, we have serious deficits. So if we lose someone, maybe we will need a few months to find a new one for the position. So for this type of staff we increased the salary, of course. Only by this way we kept them.

SCHALKWYK: So when you were planning the changes, did you think about the steps you needed to take—.

EBANOIDZE: Yes, of course.

SCHALKWYK: Could you describe that process? What you thought you needed to do first and the sequence that you followed.

EBANOIDZE: *Yes, of course. We had quite a very strong procedure for how we are doing these reforms and the reorganization. So the first principle was that any kind of idea to go to reforms and reorganization in a specific field, must be written on paper. So it was my request and after, it was like a request of internal procedure, it is of the Public Registry office. So any types of ideas, we were putting on paper. After this, for implementing this idea, we were creating a group of people and we were distributing things, this paper. Everybody was giving their comments, ideas. So finally we were developing this idea together.*

After we were doing some like a plan, like milestones, first step—what does this first step mean, what must be done, prepared. So what must be the result, what must be done on the second step, the third step, and finally what must be received then? Also, in the fourth step we had people who were responsible for this activity, for this job, who do the activity. So all these steps were described in special plan and we were distributing through mail this information.

We were checking every week because sometimes some of the people say it is very difficult because we are losing more time for these meetings and for this discussion, for this paper than for the real activity and for real reform. But it was necessary because we wanted to have a situation when these reforms and these changes are done, not by one person but by staff, because one reform is done by staff, second, after, another continuation of the reforms, staff must mean to continue after this one or to stop, because sometimes one person can leave. The organization must continue this process.

Even when we are developing software, new software, we had the same procedure. These ideas and this request for the programmers must first be written on the paper, must be discussed only after, and this request can be given to the programmer only after must be developed software. In Georgia we have cases when sometimes managers don't know exactly what the function of the programmers is.

Before I started at the registry, there were a few programmers and they wanted, the old Chairman also wanted to develop some software, but they did not. The problem was that programmers were sitting with the registrars and they wanted to find out what registrar need. They had a discussion: "So you need this, okay," after they are doing some program, they are showing. After some registrars were coming in and, "no, it is not exactly reflecting the process, what we need. No, please do also these changes." The programmer was trying to think as a registrar to develop the software, but this is not standard for programmers because a programmer must not think as—he has his own function.

So when I started, we made a special group with a few people, like program managers so they were speaking with the registrars. After, they were translating the request on the paper in the language that was familiar for the programmers. So we can't say that any kind of direct contact from the staff person to the programmer...at first everything must be written on the paper. This must be reviewed by a special team, by an IT manager. Only after, if everything is agreed, if the structure of the database can be used and reflected in our thoughts and some principles, if description is acceptable for the IT management, only after this paper was given to the programmer, of course. Then the program manager

is sitting at his office and looking at what kind of description is done very well, in his language. He was just doing his job, maybe in a few days.

The last time they wanted to do the same, maybe in a few months. So this was a serious change in internal management.

SCHALKWYK: So I wanted to ask you about the programs. Did you write all of the programs internally?

EBANOIDZE: Yes.

SCHALKWYK: Maybe you didn't give out tenders or—?

EBANOIDZE: No.

SCHALKWYK: Bring in external consultants?

EBANOIDZE: *I can say no. All the software, all programs that are used now by the public registry, the programming is done by public registry staff, public registry programmers. Because at first for registration, there is not any standard so clear. So we cannot say that there is a standard, Microsoft, IBM or some other people enter there, they hand over some standardized software for registration, no it is not so. Second is that every time what you need to have in the software, this is coming from legislation. So each country has different kinds of legislation. So software used by them is very different. So [interruption]—to say that we can take some software from another country, it is not possible.*

Also we had some ideas from private companies from George that they can come in and they can help us to develop like this so, but also this is a very difficult situation because every three months we are doing some changes in ordering laws or—cannot change legislation. So up to every three months you'll need to make, do some changes in software. You have, of course, from the beginning, every time we had some changes. Now to have some outside company or outside expert who must come every few months and make some changes is very expensive, it is very difficult. It is not a flexible system.

So because we decided just to have in our staff, when we saw that we will need a few types of the software, and we will need this service, every time, or most, it is better to have our own IT management, staff and our own programmers and it is better for us to develop the software. Almost all programs, we are not using any standard program for registration or for our activity.

SCHALKWYK: So I imagine that when you were writing the programs at the beginning you needed quite a few programmers. Have you kept the same number of programmers or have you reduced the number?

EBANOIDZE: *From the beginning when I started at the IT team, there were just three or four programmers, but today the IT team is approximately 20-25 people. So we increased the number of them.*

SCHALKWYK: And there is still enough work for them to do?

EBANOIDZE: Yes, of course.

SCHALKWYK: So you're constantly changing the system.

EBANOIDZE: Yes, yes.

SCHALKWYK: All right.

EBANOIDZE: *Even today they are very busy. You know that when you are simplifying some process after—each staff person has some ideas about how to simplify also in other specific areas. Now programmers are doing what? We have one software and one database, second database and we are doing some links between these databases because, for instance, if I am doing registration in parallel, I would like to check if there is some lien, court lien, or tax lien on the property. Yes, for tax liens and court liens it is separate software. Now, at the same stage, this registrar can check this, through this connection. No problem, they are sitting and doing this activity, how to make the process more simple, how to make the time for the checking shorter, and how to guarantee the registrar that when he is putting there some ID number of person so they can receive from which data full information. He can automatically analyze all this information and issue final the document. So programmers are now doing this.*

SCHALKWYK: Other countries that I've been to have struggled with the procurement process for IT equipment with computers going out of date and linking computers up to various rural parts of the country. Did you have any trouble with this and how did you go about doing your procurement process for the computers to introduce the computers into the Public Registry?

EBANOIDZE: *It is a very hard process. You know that procurement procedure is a very standardized procurement procedure, but sometimes we had problems. For example, in the server room we have one big server which is produced, for example, by IBM. Next year we'd like to add a new item to the server room.*

SCHALKWYK: Why do you want to add to it?

EBANOIDZE: *Because it was increased our request, or increased some request from the customers. For example we'd like to add a second mail server but it must be to the whole system. So somehow we're limited because you have an IBM system and you cannot match for example from Sun or from another provider this smaller piece to the IBM server. So in this case we were trying to do it, we were trying to describe all the specifics, in detail what we need. Of course, by this description in most cases companies who wanted to sub in some proposals so they saw that this description is directly for the purpose that already they have some kind of system and this must be suitable for the system. But sometimes, yes, we had the problem that after by this tender, we saw that by documentation another company must be the winner and after we were thinking about how to adjust this piece of equipment to the existing system which sometimes is very difficult to do.*

SCHALKWYK: So how did you deal with setting up your system in regional areas outside of Tbilisi? Did you have difficulty in getting internet access out to them?

EBANOIDZE: *Yes, yes. Public Registry office now, Public Registry has offices in each region of Georgia.*

SCHALKWYK: How many are there?

EBANOIDZE: *Fifty-two at this time.*

SCHALKWYK: So 52.

EBANOIDZE: Fifty-two region registration offices. Just we have few, three offices, which are not connected yet with our network. It is mountain areas like in Svaneti, Mestia and also we have two, one in Guria, in Chokhatauri, in Racha. It is mountain areas where access is quite limited. But at the end of this month, even these three offices will be connected to our network. So all other offices are connected with our network with optical cables. So we have a centralized database. From the beginning it was quite difficult because to monitor from Tbilisi, some office in Batumi, how they are working is difficult because all offices have some separation, special books with their records and to check how they are serving people, are they doing registration in time or just they are requesting some additional time or something like this.

To monitor and to check this was quite difficult. But when we started to use this special software, we built this infrastructure and all these offices we connected to the network, although it was very difficult. Just on the monitor you have all kinds of information—how the Batumi registration office is working, do they have delays or not, if they are making decision not to do registration, why they made this, what is the reason of this decision? All this information can be checked through the internet. So in the central office we have a special, like a team for control and they are sitting during the day and they are checking each office.

For example, decisions to stop registration or to request additional documents, every time they are checking. Is this decision, a reason why they make it, is it done according to our law or is it a decision against a person or something like that? So if they feel that there is a problem, after they are going and checking all the paper documentation which is kept at the office. So this is a very good system.

SCHALKWYK: Do people frequently travel from the central office to the regional offices?

EBANOIDZE: Yes, of course, especially the control team. Also we have a registration team. Also from the HR management every time in trainings they are doing different kinds of trainings. There is very frequent travel to the regions to see how they are working.

SCHALKWYK: Have you encountered difficulty in getting people who are willing to work in places like Svaneti and to the rural regions far from Tbilisi?

EBANOIDZE: Now, to find good people with experience of this new registration, something like this, to find in Svaneti, of course, is quite difficult. But now, using this new technology, this internet connection, what we are doing, we are now doing some centralization of the registration function. Even today, for example, I am a citizen and I have some property in Batumi, so last time it was necessary to go to Batumi, to give an application exactly at office, at the registry office, receive an extract and go back to Tbilisi. So for this I wanted a few days. Today, even from Tbilisi I can send an application to Batumi. It will be done and I can print out the extract without visiting Batumi office. This is one thing.

Another is that now, step by step, we have now 52 registration offices, but step by step we are decreasing the number of registration offices. We don't say that a person, for example, in Batumi must visit another city to receive information. No, in every city, in every region, we will have public service offices, customer service offices, which means that there will be just sitting some young people, just receiving application and giving a final result. But registration itself will not be

done there, it will be consolidated in the original center from the beginning and later maybe in Tbilisi.

SCHALKWYK: Okay.

EBANOIDZE: So if someone has no kind of problem, and registration can be done, so an application can be submitted in Svaneti for an operator who must just receive a document and issue a document to find like this person it is not difficult because this person doesn't need special skills and so on. To find this person is easy, even in Svaneti. So what he is receiving, he is fixing in software. This can be seen for example, in Zugdidi. In Zugdidi we will have registrars, maybe five people in ten. These ten people will serve all Samegrelo and Svaneti registration offices. So they were sitting, doing, and sending back and in Mestia this person will issue. The person is doing what jobs, just receiving a document, putting it in the computer, issuing paper from computer and giving it to the person.

So this problem is already decided. We started this system, for example in Kaspi, in Kareli. Already registrars are sitting now in Gori city, so Gori is like a center for Shida Kartli region. The same we started now in Kverno Kartli region, later in Kakheti. So step by step, at the end of this year we are planning that these 52 registration offices will be decreased to 38 or to 40.

SCHALKWYK: Did you carry out training when you first introduced the system, the digitized system?

EBANOIDZE: Yes, of course. Also the training was done by us.

SCHALKWYK: It was done by you?

EBANOIDZE: Yes, we were, this was like a parallel process. When we are preparing some software, okay, software is developed somehow, but it is like a first version of the software which must be later tested. After we were creating another group of testers to test this software, ten persons, 15 persons. So they were, every day for one hour or two hours, they were staying, working, they were testing this out. This is doing what we need or not, and they were sending comments. So mostly during two weeks they are doing this test.

After this, in parallel, we had another team, maybe four or five persons, as trainers, and we started to train staffs at the registry offices. So most important is to introduce this new software, we had very flexible principle. It does not mean that we like to introduce it at the same time in all offices, no, we are starting from Tbilisi for example, after adding one office, two offices. After one region, a second region. So this also allows us to minimize our expenses. It was very effective. So this team was at first doing training of Tbilisi registration staff, alternating in other cities and afterwards they were traveling in other regions, again, for the trainings. So this process was done so. We were not using for the training outside source, it was just our staff person.

SCHALKWYK: How did you fund the procurement of all of the computers? It must have been a large number and quite expensive.

EBANOIDZE: Yes. Also, of course the equipment is very expensive but the Public Registry had no problem with the budget because—the annual budget of the Public Registry is approximately 20 million Lari which is quite a good number. If the Public Registry office staff will sit and will think about new services, even this budget can be increased because the registry office now, we are keeping such interesting

information that if there are some good specialists they will prepare like a report, a statistical report and they can annualize this information and they can submit this information to the private sector. So some additional funds can be—

SCHALKWYK: Raised.

EBANOIDZE: *The budget can be increased, yes.*

SCHALKWYK: The cost of the services, have those increased? I mean, how do you make sure that the services don't stop people from, ordinary citizens from being able to access them?

EBANOIDZE: *We have two types of services and fees. So first is general where for example we say that to register any type of right, 50 Lari must be paid at the registry office and the period is four days. Our maximum period for registration is four days, no more. So, four days 50 lari, but we also have accelerated services. For example, someone comes and says "I need this document in just 15 minutes." "Okay, please pay 200 Lari for this, you will receive it in 15 minutes. Please sit here," and after fifteen or twenty minutes, this person receives the document.*

If somebody comes and says, "I'd like this tomorrow, this document okay, please," you will see it tomorrow. 150 Lari for this. But if somebody says "Okay, I'm not interested to receive this today or tomorrow," then 50 Lari is standard. Of course, we have no registry for free. All services that we have must be paid for, the services. But we have some general fees and accelerated fees. Now 50 Lari is approximately 30 dollars which is a necessary cost to be paid because for registration we are, we have special staff, we have some expenses, we need this computer system, paper, or salary to be paid. So this 50 Lari is calculated as approximately what is necessary to be paid for one registration and by this fee to have an annual budget which will be enough during one year for all kinds of expenses.

SCHALKWYK: Who sets the fees?

EBANOIDZE: *Parliament.*

SCHALKWYK: Parliament sets the fees. I presume the Chairman, does the Chairman—?

EBANOIDZE: *I have just proposed but it must be adopted by Parliament. I, myself as the Chairman, could not do any kind of change of the fee, no. It is not possible.*

SCHALKWYK: So I wonder if you could tell me briefly how you managed to get rid of the corruption that was so common in the Public Registry?

EBANOIDZE: *It was quite difficult because from the beginning when I started I also knew very well that in the Public Registry office there was a very high level of corruption. So first of all, how this corruption was managed. When a person came to do registration, first this person was not going to the reception of the registry office to submit documentation. So there was a reception where you can officially submit this application and documentation but people were going directly to the registrars. So although all the office was open, each registrar was sitting in a separate room and people could enter in their room where they were sitting and have a discussion. So the registrar at first was checking this documentation and saying that, "Oh, you have some problem with your documentation. This is not the document that is necessary, you must go to the municipality or to the Ministry of Economy to get this document." And after a question of how long it will take to*

get this document, "Maybe one month, maybe two months, maybe even you cannot go get the document," something like this. So these people were showing the citizens that if you can pay me some additional money, I can manage to resolve this problem.

So they had this principle, if a person was paying his bribe, after the registrar was saying, "Okay, now your documentation is ready for this." He was putting some special papers here with his signature or something. Now you can go to the reception and submit this document, and afterwards it will be registered. So even at the reception people were checking which document was coming from with his papers and okay, it is no problem this document. After they are putting that it must be blocked. So we had this system from the beginning.

So first what we made is we closed the door. We divided our office into a front office and a back office. We explained to our staff that citizens cannot enter the back office, it is restricted. We created a special room, where any pretense with the registrar can be discussed. So when a person says I know I have a pretense with the document that I received and I'd like to have a discussion with the registrar who made this, the citizen comes to this room and the registrar also. There is a desk and on one side is the citizen, on the other side is the registrar. But just one room where we had special cameras to see what kind of discussions, paying of money or something.

So when we put it in just one room for the discussion, these people had serious problems for receiving a bribe or something like that, it wasn't possible. Also this door was closed. For citizens also we explained, "Please, we have a receptionist, you must submit the documentation here." We changed this principle without any discussion, preliminary discussion. You directly are going to the receptionist. The receptionist was receiving. If something is missed, you must explain this to the citizen, what additional documentation must be added. After it was going to the registrar. So this principle was canceled.

After when we...also at the reception we put in some cameras to see what kind of discussion there is because after people started to pay someone at the reception. When they saw that we were looking by camera to this end so when they are paying money we can see this, they started to pay by different models. Like some people were receiving money outside the area, by the stairs. Sometimes we saw that people were paying by mobile card. You know that we have two companies, MagtiCom and Geocell, and they have some cards, 10 Lari, 30 Lari, 50 or 60 Lari. Then when there is some documentation they are also putting these cards here. If, for example, our control person was checking it, what was this card doing? "Oh, it was in my pocket and suddenly it was—." We have cases like this also.

But most difficult for the corrupted staff was this program, this software, when we introduced it. So by this software we had a full monitoring system, what is happening with the registration process. So when a document was submitted, in the software we had a special symbol of the watch. So from the beginning, when the document is submitted and, for example, registration is—last time it was ten days for registration, during eight days this watch was blue. It means that the time has not passed and the registrar has time to do the registration. Before two days, the watch becomes yellow which means that it was saying to the registrar then, it is yellow, you have just two days to finish this. But if ten days was passed, the watch becomes red.

After our control team was sitting and looking, there was a special filter in there, sort, you are clicking to the red watch and there will appear all registrations which are delayed and have red watches. After this control team we are going and checking, why you made this delay. What was the problem? Why are you making this problem? After we are checking documentation. This documentation no problem, it must be done, registered. So registrars who wanted to make problems for citizens, after they wanted by mobile phone to speak with the owners and with the applicant outside of the building to be paid some additional money or something like this.

So when we fully had this monitoring system at the Tbilisi registration office one day, on one morning, when I sent the control team to check this, half of the staff blocked our office saying that the new chairman and the new management team don't tell us to work normally, that when our control team was asking for some additional documentation and information. So they did not like this, of course, and they said that this new staff is doing something very strange, this control team is very impolite and they are not speaking with us normally. So all of these activities are against the citizens because we have no time for registration and so on and so on.

They blocked or they stopped approximately half of the staff. So we closed the door for a few hours. So from the beginning we had serious problems. Yes, there were two choices. One was to say to the people in place "You are fired, go out and go home." But the problem was that all the documentation that they were doing by which they were doing registration, they were keeping in their rooms. Also, some of the information they were filling in computers. So it was a serious problem and the possibility that someone would go and delete some information and after to again restore this information. Sometimes, maybe, it cannot be done.

I had direct negotiations with these people to make them quiet and explain that it is not so, I will monitor myself this system. So after two hours we again opened the office.

SCHALKWYK: So you promised to keep an eye on the control team?

EBANOIDZE: *No, I promised that I myself will be with the control team.*

SCHALKWYK: Okay.

EBANOIDZE: *And [Indecipherable] or so the situation, that I will not allow them to be impolite or something, to be really involved in this process. In one week, so this happened on a Monday. After Monday or so, I was visiting this office every day, plus, I asked a few programmers to see all the computers and to copy all information, all data on the special Winchesters and to guarantee that nothing would be deleted. When I visited this office, I myself saw that really sometimes registration was stopped if the registrar had some pretenses with the owner, but documentation was really enough for registration. So I decided Friday of the same week, Friday, it put it released and I fired 65 persons in one day from the Tbilisi registration office. In one week we managed to change these 65 persons with new, young lawyers.*

SCHALKWYK: How many people were there working in the office?

EBANOIDZE: *At that time approximately 150.*

SCHALKWYK: So it is more than a third.

EBANOIDZE: Yes, more than a third.

SCHALKWYK: Okay.

EBANOIDZE: It was very difficult but it was a step that was necessary to do.

SCHALKWYK: And you had the authority to fire these people as the chairman?

EBANOIDZE: Yes. There was some TV station, from different channels. Also Monday, Wednesday, blocked this office also, all TVs were showing that there were some problems at the registry office. But after five days everybody was showing that I fired them because of corruption. After this day everybody was feeling that what is asked by the central office, by top management, must be done. After this we made serious, further serious changes.

SCHALKWYK: Right. Now, just at the end can I ask you about the current role that you're playing in spreading this experience to other places within the civil service and the bureaucracy? So what other institutions and organizations are looking to follow the model of the Public Registry?

EBANOIDZE: Even the last time when I was at the Public Registry as the chairman, at that time, there were already in some other institutions who were looking at, some changes, some reforms. Say we are trying to save our system, what we are doing, how we are doing, to get some experience from us. For example, the Ministry of Finance or so, they are developing their system quite well, and sometimes they are also using our model—how we are serving our customers through the internet, how we waved the stamp and signature on the paper. And now, when I became the Deputy of the Minister, my responsibility is the same experience to use in their organization, which is under my subordination.

For example, we already made special software and we started to use new technologies for the Chamber of the Notary. In Tbilisi, and also in one region, Kverno Kartli, notaries are already working and so, last time they had some big books. So when people who were going in wanted their agreements to be notarized, the notary was sitting and filling out this book—what kind of document was submitted, who was at the sides of the agreement, their names, surnames, ID numbers everything. After, the book must be signed by these people. So this book was changed by electronic book.

So in Tbilisi and in Kverno Kartli the notaries, where they are doing these activities electronically plus this electronic information is giving additional services for customers. First is that, for example, I am going to sell an apartment. I am showing potential buyers that look, I have this document by which this right to sell this property is delegated by the owner to me. But sometimes there are a huge number of the cases like the document is falsified. So I am selling property for another person. But you, as a potential buyer can see this document. This document has a special number by which it is a footer. They are written that you can check this document, visit website of the Chairman of Notaries, there is a special software. You are entering this, putting this special number. This number is individual for each document and you can see this information. It is really say per owner delegated to this person this right or not.

So if this information is the same as what is in the software, you can trust this document, you can do this transaction. If not, so it says that there is something there, there is some problem.

SCHALKWYK: And you can also access the document if you can't access the internet.

EBANOIDZE: *Yes, of course by internet but you need this special number. Without this number you cannot find any kind of document because from our side we must guarantee that this information that I made at the notary office, it is not for said person, it is my private information. But if I give this paper to you and say "Look, I have this, of course, myself I gave to you this document," of course you can check this. But anyone who is sitting at the computer checking through the internet, this person will not know this special number.*

SCHALKWYK: Yes.

EBANOIDZE: *This is generated by special principle and you cannot do the same. Also we are doing the same with the National Bureau of Enforcement. At this time we are developing this software together with them. Also programmers from the Public Registry are helping us to develop this software. So with this software, any person who submitted an application to the Bureau can through the internet see the process, what is happening with the application. So, for example, if I am a creditor bank office, and I issued credit a few years ago, but now this debtor is not going to pay to me. So after a court process, I gave this documentation, enforcement document to the Enforcement Bureau and now I am looking at when this enforcement will be done, so when I will receive my money back.*

So by the internet, I will be able to see this process. So the debtor was informed. The document will be there. After the debtor paid or not I will see it, if not paid, when this option will be done, the first option, the second option, how the first option was finished, was the property served or not, how much was paid for the property—all the information will be there. And the creditor will see it. Of course, no outside person can see this, also there will be this individual number. So if a person has this individual number, they can follow this process without visiting the enforcement office and asking what is happening, what you made and what left. So you are doing it from your office, sitting at a computer and seeing this process.

SCHALKWYK: Have you had any involvement with the Civil Registry? Has the Civil Registry communicated with the Public Registry on how they did their reform?

EBANOIDZE: *We are doing, we are exchanging information between the Civil Registry and the Public Registry. For example, citizens can come to Public Registry office and they are submitting their ID card. So according to our legislation, I must check the applicant, if applicant is really this person.*

SCHALKWYK: Yes.

EBANOIDZE: *I must fix information about the applicant—his name, ID number, so his ID card number and living area and so on. Everything must be done. So the last time we were doing this by hand, computer and person, our operator was sitting and maybe three minutes were necessary to fill out just information about the applicant. Now what we are doing is we have access to the Civil Registry office. We are just putting ID number in our sort, by one click we are receiving all data automatically and these data are put in the correct places in our sort. So we made economy of maybe three minutes per one visitor.*

Also, at the same we are doing this for Civil Registry. The Civil Registry also sometimes shows passports or some ID cards or other civil documents. They

need living address but living address must be proved by extract from the registry office. Last time it was necessary that they were asking the customer to please go over to the registry office and bring an extract. Now they have direct access to us and they are putting this name or ID number, they are receiving directly from our database information—where this person has property, where this person is living, or maybe a person has three properties and asking which address is your living address. The person is saying some address, they are checking, yes, really, this person is the owner of the property, which is on this address. Okay, no problem, they are doing.

Also they are avoiding any additional time, the Civil Registry people, and plus the citizen is avoiding an additional payment to the registry office for an extract.

SCHALKWYK: Was there coordination when the two organizations were doing their reforms?

EBANOIDZE: Coordination was done so that at first both of these organizations are under the Ministry of Justice so when we had a discussion here with the Deputy of the Minister or the Minister, we were speaking together and coordinating our meetings. Plus, we have separate meetings with the Civil Registry when we are planning something and we saw that maybe we will need their support by information. So we are informing them. Or, the same we are doing from the Civil Registry.

SCHALKWYK: And the software is compatible between the two organizations?

EBANOIDZE: No, software we are developing separately. For example our software is based on Oracle database and we are doing, using another platform as technology and the Civil Registry is doing, mostly they are using Microsoft software and other technology and another platform. But when we are doing exchange of information, of course the programmers are seeing how this is going to get transferred in a form that is acceptable for us and how we can transfer our information to be acceptable for them.

SCHALKWYK: Would it have made more sense to do the same, to try to stick with the same software?

EBANOIDZE: No.

SCHALKWYK: So you think it worked out fine?

EBANOIDZE: No, it is better to have something like a competition. We will see which is better. Why have everywhere the same software, the same technology? No. To have competition is better, just the main principle is that the software and databases must be created so that it will be possible to exchange information. If you are doing this, so back office of the software end, the database, how they will form this is not important. It is important for them, for programmers for there are some groups of programmers who are good, proficient in the Microsoft database and the SQL (Structured Query Language) database. There are some programmers who are very proficient in the Oracle database. Why push them to please synch, everybody must synch? No.

SCHALKWYK: Have you started to develop any human resource management software?

EBANOIDZE: Human resource management software? We started to develop that after we stopped because our idea is that human resource management software is standardized so we can use already standard software. This is not for

registration, this is standard. Also we are using account, accounting software, also it is not written by us of course. When I say that we are trying to develop our own software, it is connected with the registration. But the accounting system, with HR management, we are trying to use standard software.

SCHALKWYK: Does the Ministry of Justice have a standardized human resource management system?

EBANOIDZE: *Yes, we are trying. Now the Ministry of Justice itself will have this software. We have, in Georgia, a private company, BTI Company and they propose some software, human resource management, very effective software. We just bought the software and now we are trying our human resource team, they are trying to do it first, enter all information in this software in order to try to use this information. Because there is a...besides there is old data they have people from staff, also there is a good system for evaluation for management for reporting, very effective. Now, also, our idea is that the same software should be recommended for all organizations which are under the Ministry of Justice, the Civil Registry, the Public Registry, the Enforcement Bureau, and the Notary. Plus, what we are doing now, we are trying to introduce software chancellery. So chancellery means that when a citizen like to sub in some letters and they request or their pretense to the Ministry we'd like to have one unified chancellery software not only for the Ministry of Justice, but also for all organizations which are under the Ministry of Justice.*

Because we had this good experience at the Public Registry we developed there the special sort of chancellor and by this software we made serious economies. We are not using papers, electronically we were exchanging information between the central office, the Public Registry, and between regional offices. So the last time it was necessary to print out documentation and to send by post. So we are doing economies of paper, economies of cartridge, economies of post and if the Ministry of Justice and other organizations, we would have the same sort, it would mean that even when the Public Registry is sending information to the Ministry of Justice, it is not necessary to print out this documentation. You are hitting send and it will appear at that place which is the address of this information.

SCHALKWYK: Are there efforts to standardize the human resource management software across different ministries?

EBANOIDZE: *I don't know. I know that at the Ministry of Justice we have this policy, but what policy they have in other ministries I don't know. But I am sure that if the Ministry of Justice will show that it is effective, and we will get some results, then some other ministries also will be interested to do the same.*

SCHALKWYK: So is there anything else you'd like to add before we finish?

EBANOIDZE: *No, I think I gave all information.*

SCHALKWYK: Thank you very much.

EBANOIDZE: *Also, if you have some additional questions or additional information will be necessary you can send by mail your questions and I can send back.*

SCHALKWYK: Excellent, thank you very much.