



TOLERANCE & DIVERSITY INSTITUTE

თბილისის უფლებების სწავლებისა და მონიტორინგის ცენტრი



Human Rights Education and Monitoring Center

## **The Practice of the Funding of Religious Organizations by the Central and Local Government**

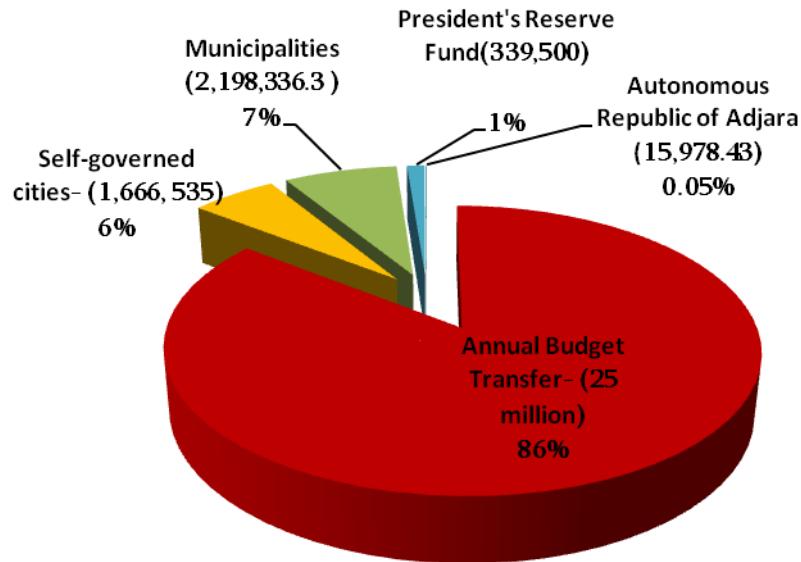
(The review of the condition of 2013 and the beginning of 2014 years and the review of the policy  
change after transition of the government)

Tbilisi

2014

The purpose of the joint research by Tolerance and Diversity Institute (TDI) and Human Rights Education and Monitoring Center (EMC) is to show the practice of funding religious organizations by the state. For that purpose the research studies the scope and aim of financial resources and other tangible benefits transferred from the state to religious associations, also from the state budget, President's and government's reserve funds as well as the budget of municipality in the period of 2013-2014. The results of the research indicate that the Orthodox Church of Georgia is receiving the main source of funding from the state. The scale of financial support by the state for the Orthodox Church is quite large and covers the transfer of funds acquired from the budget through donationin addition to direct funding, reserve funds and budget of municipalities and real estate. The main part of the tangible benefits allocated for the Orthodox Church serves the religious rather than secular purposes. The analysis of the current practice shows that the state, as a rule, does not check the justification of the purpose of transferred tangible benefits and in many cases, financial documents of the transfer do not illustrate the purpose of the transfer of money and property. Comparative analysis of the amount of state funding for the Orthodox Church and the dynamic after the change of government in the approaches of the state is presented in the research.

Funding of the church by the state was equal to GEL 29.220.349,7 in the year of 2013. The share of funding of the Orthodox Church from the budget of local municipalities and self-governed cities is equal to 13% which is a quite high indicator. The Patriarchy receives the biggest amount (86%) from the state's central budget in the form of an annual transfer.



The results of the research verify that the funding policy under the new government has not changed and it does not meet the requirements of secular, democratic, non-discriminatory and accountable funding system.

The results of the research indicate that the funding policy of the religious organizations is based on the approach of preference and absolute prioritization of the Orthodox Church. The scale of financial assistance for the Orthodox Church by the central and local governments is big, its necessity is not justified by the public interest in most cases and the amount is not based on sensible, measurable and objective criteria.

Despite the fact that the trend of research of funding from the President's and government's reserve funds are observed in the year of 2013, which should be assessed as a positive step, the actual funding system still gives the government an unlimited opportunity to influence the church through funding or acquire its loyalty. This poses a serious threat to the secular state order.

The report of the spending of budgetary transfer published by the Orthodox Church is not detailed and documented. Accordingly, the issue of validity and transparency of its purpose still remains problematic. According to the data published by the Patriarchy, the church spends 75% of budgetary transfer on religious education. It should be noted that 14 % of budgetary funding is spent on providing religious education by the church in Adjara.

The amount of money transferred from the President's reserve fund to the Orthodox Church was significantly decreased in the period of 2013-2014 which can be explained by change of government and weakening of the President's political clout in a new political and constitutional order.

**Financial assistance assigned for Georgian Patriarchy from the President's Reserve Fund in the period of 2007-2013**

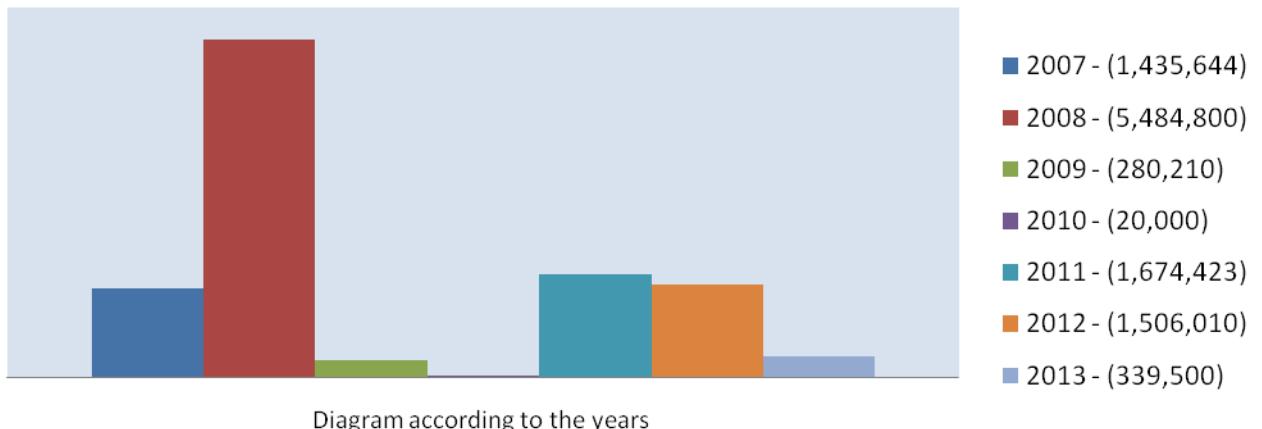


Diagram according to the years

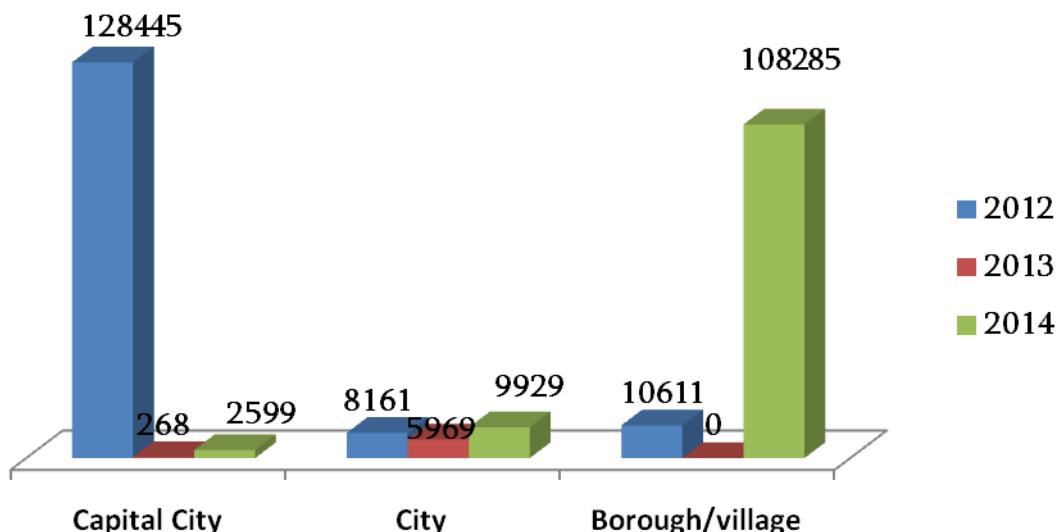
Compared to the previous years, the amount of transferred money from the government's reserve fund to the Orthodox Church has significantly decreased in the year of 2013. The researched period in the year of 2014 (3 months) is quite short for the generalization of its results and for the illustration of what influence the change of Prime Minister had on the trend revealed in 2013, especially in those conditions when the indicator of transfer of property by the government to the Orthodox Church was significantly increased in that period.

Despite the trend of decrease of funding of the Orthodox Church from the reserve funds, the indicator for transfer of real estate by the government significantly increased in the year of 2014. The area of real estate

transferred by the government in the cities and villages for 3 months in the year of 2014 is significantly larger than the total data of 2013.

23 cases of transfer of property by the Georgian government to the Orthodox Church were reported in the period of 2013-2014. Out of this figure, 16 cases apply to the months of January-March of 2014. The area of transferred land in the capital city significantly increased in the year of 2012 and it was higher than the figure in 2013 by 99.7 % and higher than the data from 3 months in the year of 2014 by 98%. However, the figure of transfer of real estate in other cities for 3 months in the year of 2014 increased and it was higher than the figure from 2012 by 18%. The figure from 2013 is lower than the figure from 2012 and accordingly from the year of 2014. The indicator of real estate transferred in towns and villages during 3 months of 2014 drastically increased and it was higher than the figure from 2012 by 90%. The transfer of real estate was not observed in the geographical area of 2013.

**Dynamics of transfer of land by the government according to the years and geographical distribution**



Purpose of the transfer of property by the Georgian government to the church was specified only in the case of 31% in the beginning of 2014, while the aforementioned figure is higher in the year of 2013 and it was equal to 71%. It is noteworthy that the absolute majority of purpose of transferred tangible goods was unknown before the period of 2007-2012.<sup>1</sup>

Data illustrating state funding of religious associations by the municipalities and self-governed cities indicate that the Georgian Patriarchy is enjoying obvious privileges in relation to other religious associations. **99.2% of total amount allocated by the self-governed cities and municipalities was distributed to 3.896.139 Orthodox dioceses and churches** in 2013. Financial assistance assigned for other religious denominations was equal to GEL 31.268,16 which is 0.8% of total amount.

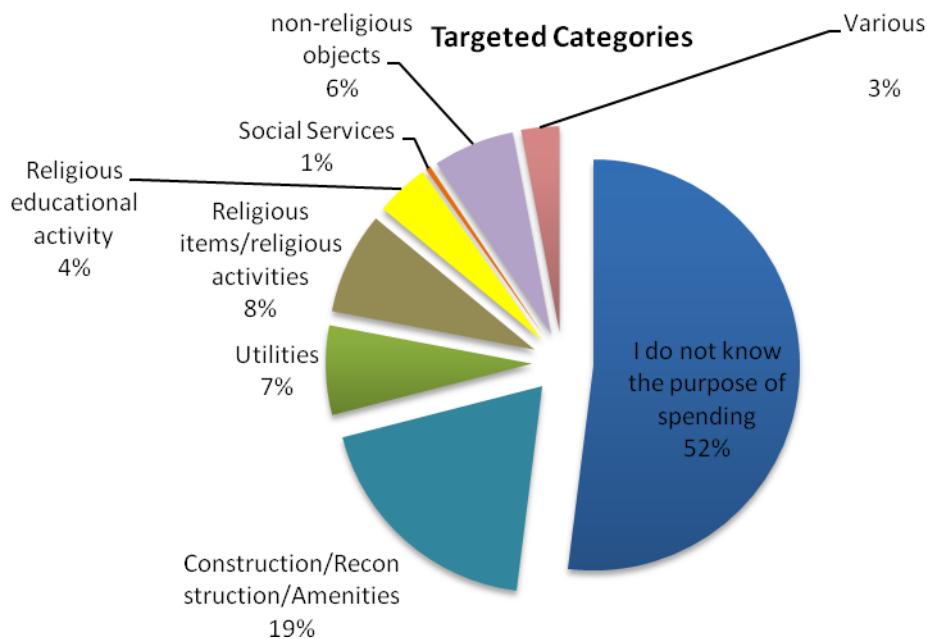
<sup>1</sup>Analysis about the period of 2007-2012 is based on data acquired by 'Transparency International Georgia in 2013'.

70% of the municipalities allocate money from local budgets from subprograms defined specifically for assisting religious organizations. Funding for the Patriarchy is provided by budgets of city halls of three cities out of five self-governed cities. It is interesting that among the municipalities largest amount of funding for the Patriarchy is documented in municipalities of mixed religious composition, **Bolnisi** and **Marneuli (Kvemo-Kartli)** where large part of population is not Orthodox.

It should be emphasized that in addition to dioceses and churches and monasteries, the amount of money allocated by the board of municipalities is sometimes transferred to **personal bank accounts of clergy**.

Among the self-governed cities, the biggest share of funding from the Patriarchy applies to Tbilisi, which is probably caused by the size of budget and scope of the capital city. In 2013 the local authority of Tbilisi N10 allocated up to GEL 1.5 million in total to the Orthodox churches from the budget's 'other amenities activities program'.

The issue of determining the purpose of funding in the model of state funding of Patriarchy is particularly problematic. **It is unknown what purposes spending of more than half of the subsidy allocated for the Patriarchy by the municipalities serve.**



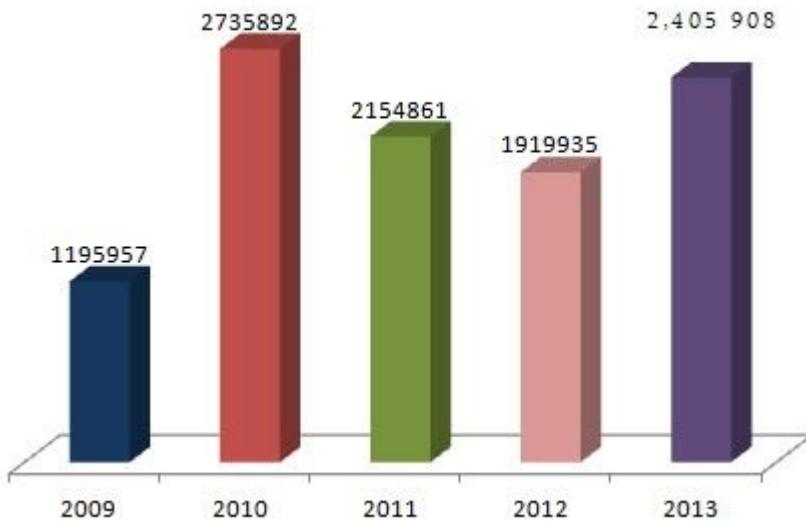
Sometimes the purpose of money transfer is reported in the documents. According to these documents, the Patriarchy is using municipal funding mostly for religious purposes while only 1% of total amount is spent on social projects. From the targeted categories, the construction/restoration of churches and decorative works (19%) constitute the biggest share. 8% of the total amount is spent on purchase of religious objects and religious activities. Priorities of the Patriarchy are not changed in the case of self-governed cities.

Approximately 55% of the allocated amount of money by the City Hall is spent on the construction/restoration/amenities of churches. Purpose of 44% of the amount of money is not indicated in the documents.

It is interesting that municipalities and boards of Tbilisi refer to the appeals and letters of clergy representatives from specific churches as a basis of allocating money. Analysis of these aforementioned documents show that the purpose of requesting the amount is not sometimes indicated in the letter of the clergy and requests the amount without any justifications.

Dynamics of funding of municipalities and self-governed cities (except Tbilisi) in the period of 2009-2013 show that the biggest amount of money was allocated in the year of 2010, the indicator of funding decreased for the following two years and increased again in the year of 2013. Compared to the year of 2012, the funding increased approximately by 25% in the year of 2013. Analysis of allocated amount by the municipal boards of Tbilisi show that during only four months of 2014 some municipal boards allocated higher amount compared to the total figures from the previous year.

***Comparative analysis of total figures of church funding by municipalities in the period of 2009-2013.***



In addition to the financial assistance, the Patriarchy receives various kinds of material benefits from municipalities and city halls of self-governed cities: land, square, building facility and personal property. In 2013 the area of non-agricultural land transferred from the municipalities and self-governed was equal to 32.179 square meters. Regarding the personal property, their value in total was equal to GEL 192.742 in 2013 and GEL 13.400 in 2014.

Upward trend in the real estate transfer is noteworthy: the total area of real estate transferred from the self-governed cities and municipalities to the Patriarchy in the year of 2013 (applies to only non-agricultural lands and squares calculated in square meters) is almost equal to the total figure of the period of 2009-2012 which must be connected to the bipolar political environment at the local level and the municipal elections planned in 2014.

***Real estate transferred in the period of 2009-2013 (m<sup>2</sup>)***

