



EVALUATION OF THE EUROPEAN UNION EXTERNAL ACTION

EVALUATION OF THE EU'S COOPERATION WITH GEORGIA

Final Report

Volume I – Main report

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**EVIDENCE
MATTEDC**

Neighbourhood
and Enlargement
Negotiations

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Evaluation of the EU's cooperation with Georgia

Final report

The report consists of three volumes:

VOLUME I – MAIN REPORT

1. Introduction
2. Key methodological elements
3. Overview of EU cooperation with Georgia
4. Main findings
5. Conclusions
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List of Abbreviations and Acronyms

AA	EU-Georgia Association Agreement
ADA	Austrian Development Agency
ADR	Alternative Dispute Resolution mechanism
AFD	Agence Française de Développement
BIP	Border Inspection Post
BS	Budget Support
CBHE	Capacity Building in Higher Education action
CC	Climate Change
CEPEJ	European Commission for the Efficiency of Justice
COVAX	COVID-19 Vaccines Global Access
COVID-19	Coronavirus pandemic 2019
CRIS	Common External Relations Information System
CRRC	Caucasus Research Resources Centre
CSDP	Common Security and Defence Policy
CSO	Civil Society Organisation
CSO-LA	Civil Society Organisations/Local authority programme
DAC	(Organisation for Economic Co-operation and Development's) Development Assistance Committee
DCFTA	Deep and Comprehensive Free Trade Area
DG	Directorate-General
DG NEAR	Directorate-General for Neighbourhood and Enlargement Negotiations
DG TRADE	Directorate-General for Trade
DP	Development Partners
EBRD	European Bank for Reconstruction and Development
EC	European Commission
ECTS	European Credit Transfer System
EE	Energy efficiency
EEAS	European External Action Service
EFI	European Finance Institution
EIA	Environmental Impact Assessment
EIB	European Investment Bank
EIDHR	European Instrument for Democracy and Human Rights
EMJMD	Erasmus Mundus Joint Master Degrees
ENI	European Neighbourhood Instrument
ENP	European Neighbourhood Policy
ENPARD	European Neighbourhood Programme for Agriculture and Rural Development
ENPI	European Neighbourhood and Partnership Instrument
EQ	Evaluation Question
EU	European Union
EU MS	European Union Member States
EU4EGFA	EU for Economic Governance and Fiscal Accountability
EU4ITD	EU for Integrated Territorial Development
EUD	Delegation of the European Union
EUMM	EU Monitoring Mission in Georgia
EUO	European Union Office
EUR	Euro
EUSR	EU Special Representative for the South Caucasus
EVET	Employment and Vocational Education and Training programme
FA	Financing Agreement
FAO	Food and Agriculture Organisation

GAP	Gender Action Plan
GBV	Gender-based violence
GDP	Gross domestic product
GEOSTAT	National Statistics Office of Georgia
GHG	Greenhouse Gas
GITA	Georgia's Innovation and Technology Agency
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
GoG	Government of Georgia
GPGC	Global Public Goods and Challenges
GRB	Gender Responsive Budgeting
HE	Higher Education
HEI	Higher Education Institutions
HQ	Headquarter
HR	Human Rights
HSOJ	High School of Justice
IACC	Inter-agency Coordination Council on Rural Development
IBRD	International Bank for Reconstruction and Development
ICM	International credit mobility
ICMPD	International Centre for Migration Policy Development
IDP	Internally Displaced Person
IFI	International financial institution
IL	Intervention Logic
IMF	International Monetary Fund
INDC	Intended National Defined Commitment
INOGATE	Interstate Oil and Gas Transportation to Europe
IO	International Organisation
IOM	International Organisation for Migration
IPR	Intellectual Property Rights
IPSAS	International Public Sector Accounting Standards
ISSG	Interservice Steering Group
IT	Information technology
JC	Judgement Criterion
JM	Jean Monnet activities
JRC	European Commission's Joint Research Centre
KfW	Kreditanstalt für Wiederaufbau
LAGs	Local Action Groups
LEDs	Low Greenhouse Gas Emission Development Strategy
LGBT+	Lesbian, Gay, Bisexual, Transgender/ Transsexual plus
LMA	Laboratory of the MoA
MEPA	Ministry of Environmental Protection and Agriculture
MFA	Macro-financial Assistance
MoA	Ministry of Agriculture
MoESD	Ministry of Economy and Social Development
MoF	Ministry of Finance
MoJ	Ministry of Justice
MoRDI	Ministry of Regional Development
MTEF	Medium Term Expenditure Framework
NATO	North Atlantic Treaty Organization
NCEQE	National Centre for Educational Quality Enhancement
NCTLD	National Centre of Tuberculosis and Lung Diseases
NDC	Nationally Determined Contribution
NFA	National Food Agency

NGO	Non-Governmental Organisation
NIP	National Indicative Programme
OBI	Open Budget Index
ODA	Official Development Assistance
ODIHR	OSCE Office for Democratic Institutions and Human Rights
OECD	Organisation for Economic Co-operation and Development
OSCE	Organisation for Security and Cooperation in Europe
PAR	Public Administration Reform
PDO	Public Defender's Office
PEFA	Public Expenditure and Financial Accountability
PFM	Public Finance Management
PFPR	Support to Public Finance Policy Reforms programme
PIRDP	Pilot Integrated Regional Development Programme
PPP	Purchasing Power Parity
PSDAC	Private Sector Development Advisory Council
PSF	Policy Support Facility
RDP	Regional Development Programme
RS	Revenue Service
SADG	Strategy for Agricultural Development in Georgia
SESA	State Employment Service Agency
SIGMA	Support for Improvement in Governance and Management
SME	Small and Medium-Sized Enterprise
SPA	Government and State Procurement Agency
SPS	Sanitary and Phyto-Sanitary measures
SRC	Sector Reform Contract
SRNSFG	Shota Rustaveli National Science Foundation of Georgia
SSF	Single Support Framework
TA	Technical Assistance
TAIEX	Technical Assistance and Information Exchange instrument
TAPs	Technical and Administrative Provisions
TBT	Technical Barriers to Trade
TEN-T	Trans-European Transport Network
TRACECA	Transport Corridor Europe-Caucasus-Asia
UN	United Nations
UNDP	United Nations Development Programme
UNECE	United Nations Economic Commission for Europe
UNICEF	United Nations International Children's Emergency Fund
USAID	United States Agency for International Development
USD	United States Dollar
VET	Vocational Education and Training
WB	World Bank

1 Introduction

The *main objectives* of this evaluation are to: i) provide a *comprehensive and independent assessment* of the EU's past and current cooperation with Georgia during the period 2014-2020, viewing it from the perspective of the EU's political objectives and priorities in Georgia and the region, as well the effects of the support provided over the period; and ii) draw *key lessons* and make *recommendations* to guide decision-makers within DG NEAR and EEAS and other services involved in EU external action on how to improve strategies and implementation of current and future interventions and how these can fit into the evolving priorities of the European Commission (EC).

The evaluation's *specific objectives* are to provide:

- An assessment of the performance (relevance, efficiency, effectiveness, coherence, impact, sustainability, and EU value added) of EU support (both spending and non-spending actions, i.e. financial assistance policy dialogue);
- Recommendations to guide the improvement of strategies, programmes and implementation of current and future interventions.

The *temporal scope* of the evaluation is *2014-2020*, with attention to pre-2014 activities as necessary to establish the initial conditions for the evaluation and because several interventions programmed before 2014 were still being implemented over the evaluation period. This covers interventions planned and implemented under two Single Support Frameworks (SSFs): 2014-2017 and 2017-2020. Where necessary to ensure that the evaluation is forward-looking, post-2020 developments are taken into account when necessary.

The analysis covers *spending all financing instruments* of EU external action used in Georgia,¹ and all *implementation modalities* (Budget Support – BS, grants, blending, delegated agreements, TAIEX, Twinning, Macro-Financial Assistance – MFA, etc.). Among non-spending actions, the evaluation will pay special attention to policy and political dialogue supporting Georgia's reform process and the country's approximation to EU *acquis*.

Thematically, the evaluation focuses on the following sectors of EU-Georgia cooperation, as identified in the ToR:

- Public administration reform (PAR) incl. Public Financial Management (PFM) (SSF 2014-2017);
- Agriculture and rural development (SSF 2014-2017);
- Justice sector reform (SSF 2014-2017);
- Economic development and market opportunities (SSF 2017-2020);
- Strengthening institutions and good governance, including rule of law (SSF 2017-2020);
- Connectivity, energy security and efficiency, environment and climate change (SSF 2017-2020);
- Mobility, people-to-people contacts, education (SSF 2017-2020).

The cross-cutting issues of democracy and human rights, civil society, and gender are incorporated throughout.

2 Key methodological elements

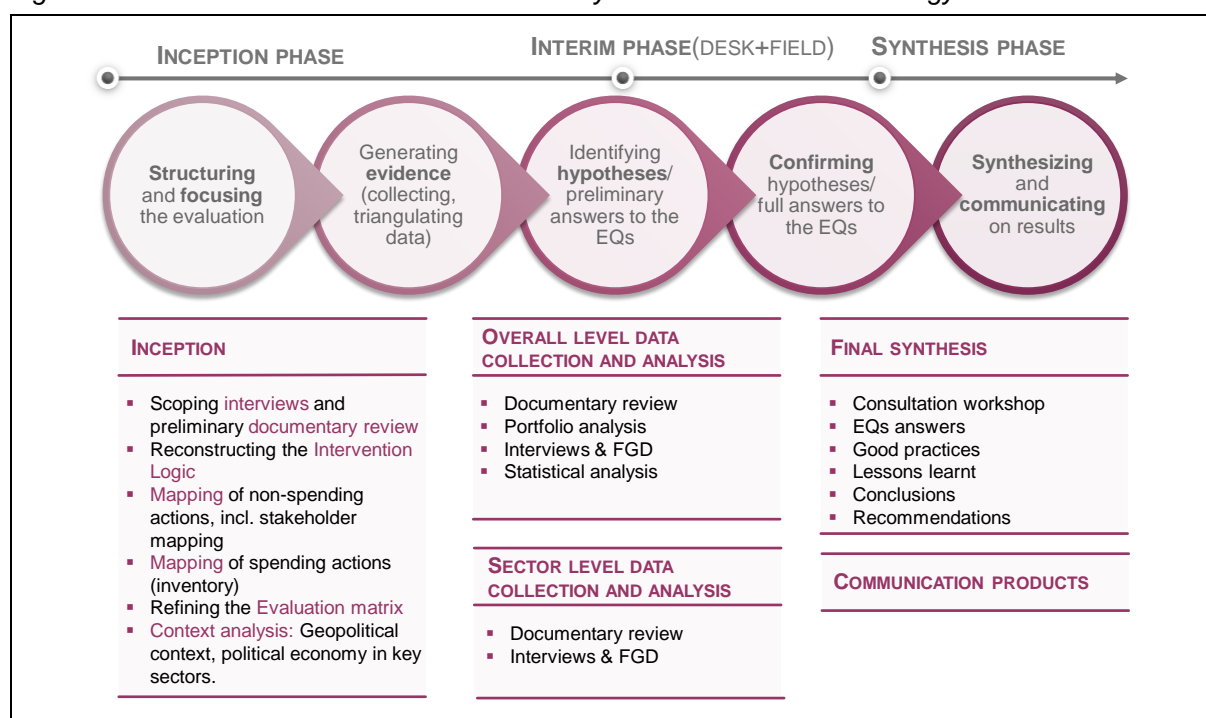
2.1 Overall approach

The evaluation's *methodological framework* was designed to develop an understanding of what has worked and what has not in cooperation and under which conditions, so that lessons can be drawn and applied to future support efforts. It follows DG NEAR's methodological guidelines on linking planning/programming, monitoring and evaluation, as well as other international best practice and guidance in evaluations. The evaluation follows a *theory-based approach* that relies on *mixed methods*. In line with the ToR, its approach was finalised by the Evaluation Team during the inception phase and discussed and agreed with the Interservice Steering Group (ISSG) established for this evaluation.

The evaluation was conducted in three main phases as summarised in Figure 1.

¹ Including the European Neighbourhood Instrument (ENI) and its national, Cross-border and regional components, the EU thematic instruments (EIDHR) and programmes (e.g. CSO & LA), Macro-Financial Assistance, the Instrument contributing to Stability and Peace (IcSP) and other instruments managed directly by the Service for Foreign Policy Instruments (FPI).

Figure 1 Phases of the evaluation and key elements of the methodology



Source: Particip GmbH.

Managed and supervised by the *DG NEAR Unit A4 Coordination of financing instruments - performance, results and evaluation*, the evaluation progress was also closely followed by the ISSG, chaired by DG NEAR A4 and consisting of representatives of various EU services and the EU Delegation in Georgia.

Table 1 EQ coverage of the DAC and EC-specific evaluation criteria

EQ \ Evaluation criteria	Relevance	Efficiency	Effectiveness	Impact	Sustainability	Coherence, incl. coordination & complementarity	EU value added
Transversal EQs							
EQ1. Policy and strategic framework	●●●				●	●●	●●
EQ2. EU complementarity and added value	●●	●●●				●●●	●●●
EQ3. Instruments, modalities, and funding channels	●●	●●	●●		●	●●	●
Thematic EQs							
EQ4. Public Administration Reform, incl. PFM	●		●●	●●●	●●●		
EQ5. Justice, Rule of Law, and democratic governance	●		●●	●●●	●●●		
EQ6. Agriculture and rural development	●		●●	●●●	●●●		
EQ7. Economic development and market opportunities (DCFTA, SMEs and VET)	●		●●	●●●	●●●		
EQ8. Connectivity (energy, transport, environment and climate change)	●		●●	●●●	●●●		
EQ9. Mobility and people-to-people contacts	●		●●	●●●	●●●		

●●● Largely covered

●● Covered

● Also covered

The overall Intervention Logic (IL) (as presented in Volume III, Annex III) visualises the reconstructed theory of change. It constitutes the backbone of the evaluation. Based on this IL, the draft Evaluation Questions (EQs) presented in the ToR, and the preliminary work carried out in the inception phase, nine EQs have been formulated to capture the breadth and complexity of the EU cooperation in Georgia and serve as a framework to examine its effects (see Table 1). Each EQ is structured around a limited number of Judgment Criteria (JCs) which are assessed through the analysis of specific indicators – see Volume II.

2.2 Data and evidence collection and analysis

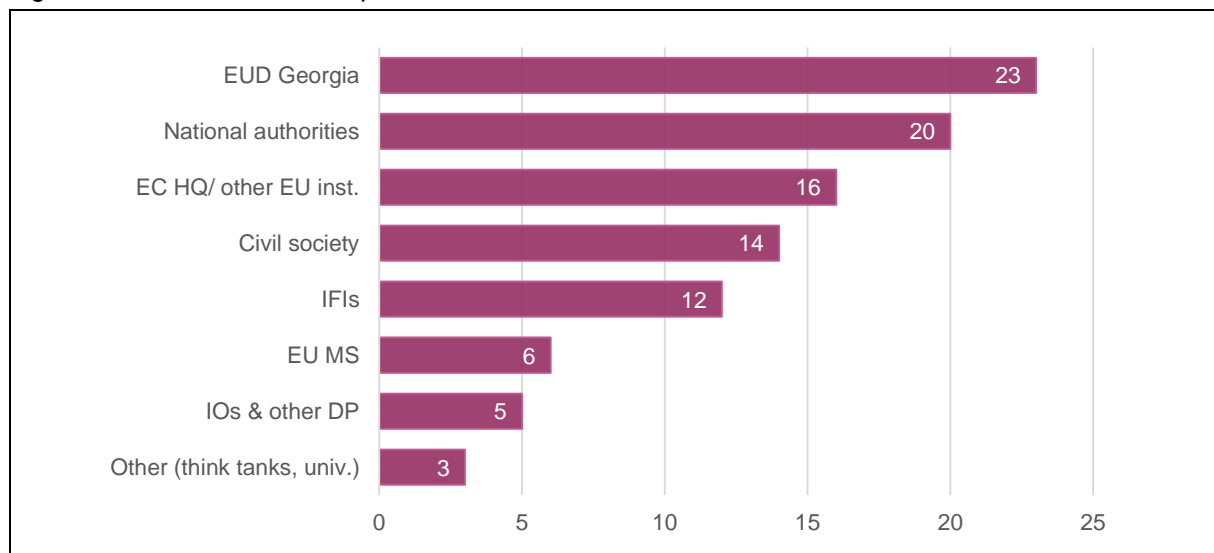
Overall, the evaluation matrix, including the JC and indicators which structured each EQ, provided the overall *framework for data collection and analysis*. Data collection activities were carried out mainly during the desk phase and the (mostly remote) field phase. These activities included: i) semi-structured interviews, ii) a documentary review, iii) quantitative (financial) analysis of aid flows, and iv) a consultative workshop with staff from the EU Delegation to Georgia and Headquarters during which emerging findings, conclusions, and recommendations were discussed.

The combination of data collection methods and techniques varied according to the different JCs, but, multiple sources were systematically used to triangulate the information collected. During all phases, the Evaluation Team verified that the set of methods and techniques was sufficiently broad to ensure a *high level of data reliability* and validity of conclusions and identified gaps to be filled and hypothesis to be tested in the following phase. Where possible, the Evaluation Team has combined the use of qualitative and quantitative data and relied on both primary and secondary data sources, within the given resource and time constraints.

The field mission was planned to take place remotely. In practice, this meant the Evaluation Team met with relevant in-country stakeholders via internet platforms. The consultations covered a large variety of stakeholders. The Evaluation Team could therefore capitalize on a rich source of data and insights.

In total, *99 interlocutors* were consulted (see Figure 2 **Error! Reference source not found.**), and over *2,000 documents* were reviewed, including EU frameworks, documentation related to EU-Georgia cooperation strategy and programming process, EU intervention-related documentation (formulation and implementation documents, monitoring reports, evaluations), policy documents from the Government of Georgia, reports and databases from cooperation partners, reports from national and international civil society organisations, other EU evaluations, among other. Documentary data was compiled by the team from primary and secondary sources with the assistance of DG NEAR and the EUD.

Figure 2 Overview of persons consulted



Source: Particip GmbH

2.3 Key challenges and limitations

In general, the Evaluation Team has *not faced any major or unusual challenges* that would not be encountered in any EU country strategy evaluation. Some delays were experienced due to the serious illness of core experts, two of whom had to be replaced.

The *COVID-19 pandemic* has compelled the Evaluation Team to remain flexible and innovative in the face of unprecedented ethical, methodological and operational challenges. From the onset of this global

health crisis, the priority of the Evaluation Team was to adhere to the principle of ‘do no harm’ by ensuring the well-being and safety of all the partners and interlocutors involved in the evaluation process. In that regard, sensitive data collection and communication with the stakeholders have remained fundamental objectives throughout the process. The team has managed to interview a large range and number of stakeholders, including relevant government officials. The team is confident that the quality of the data and information collected was not impaired by the situation, albeit some relevant informal information that can usually be collected during or inferred from on-site face-to-face meetings might not have informed the evaluation.

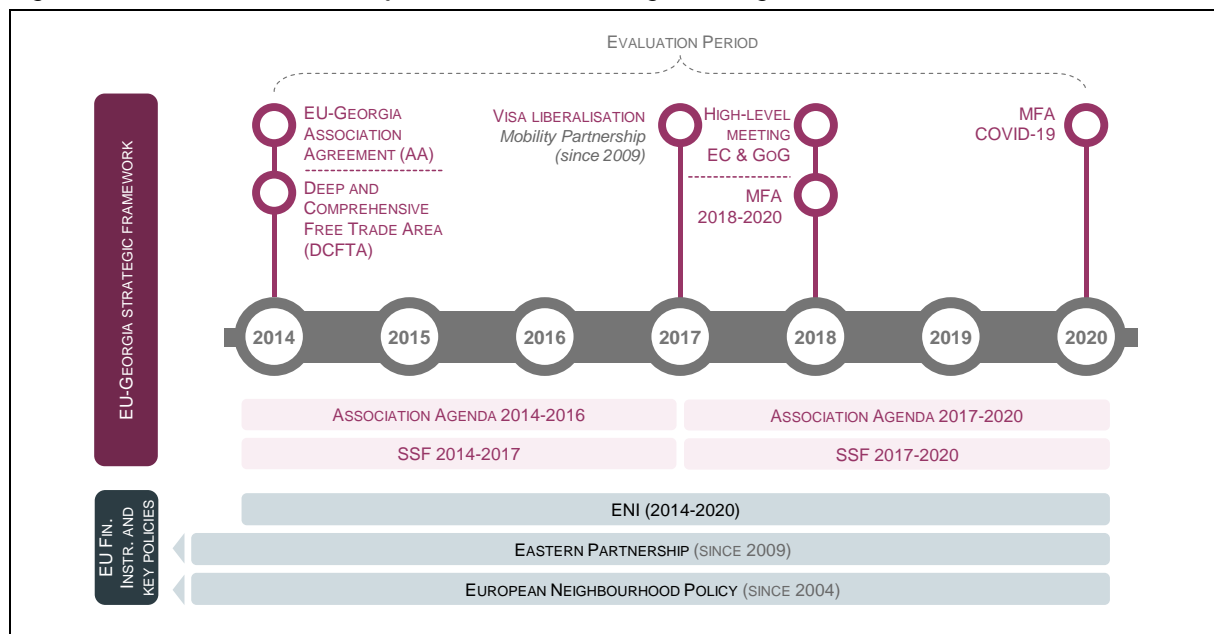
Data availability on EU programming, formulation and implementation of specific interventions was not a challenge. Strategic documentation from Government was also available, although there was a lack of national reporting on some relevant indicators. In the area of *blending*, more detailed project-level documents (including progress reports, feasibility studies, Environmental Impact Assessments, etc) would have been useful for the analysis, but the Evaluation Team’s access to such documentation was limited.

3 Overview of EU cooperation with Georgia

At global level, Georgia is committed to the *Agenda 2030 for sustainable development* and is a signatory to the Paris Agreement on climate change. Its cooperation partnership with the EU is guided by major EU policy documents such as the Agenda for Change, the revised European Consensus on Development, the EU Global Strategy, and the EU Strategic Framework and Action Plan on Human Rights and Democracy.

During the period under review, the EU cooperated with Georgia in the framework of the *European Neighbourhood Policy*² and its eastern regional dimension, the *Eastern Partnership*.³ Relations between the EU and Georgia are based on the *EU-Georgia Association Agreement (AA)*.⁴ The AA including its *Deep and Comprehensive Free Trade Area (DCFTA)* was signed in June 2014 and entered into force in July 2016.

Figure 3 Timeline of major events of EU-Georgia strategic framework



Source: Particip GmbH.

The AA strives for political association and economic integration. The roadmap for the implementation of the Association Agreement was defined in the Association Agenda 2014-2016⁵ and in the revised Association Agenda 2017-2020.⁶ Negotiations on a revised Association Agenda for the period 2021-

² https://eeas.europa.eu/diplomatic-network/european-neighbourhood-policy-enp_en

³ https://eeas.europa.eu/diplomatic-network/eastern-partnership_en

⁴ <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:L:2014:261:FULL&from=EN>

⁵ <https://data.consilium.europa.eu/doc/document/ST-4656-2014-INIT/en/pdf>

⁶ <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:22017D2445&rid=10>

2027 began in October 2020.⁷ Also playing a role in guiding EU-Georgia relations is implementation of the agreed outcomes⁸ of the High-level Meeting between members of the EC and of the Government of Georgia on 21 November 2018.

Table 2 EU committed amounts to Georgia 2014-2020 under ENI bilateral programming

	2014	2015	2016	2017	2018	2019	2020	Total committed (EUR)
Total ENI	131 million	100 million	109.5 million	115 million	134 million	127 million	102.7 million	819,2 million

Source: Particip GmbH (reconstructed from EC data).

The EU is engaged in supporting efforts towards conflict resolution and transformation in Georgia, including through the EU Special Representative for the South Caucasus and the Crisis in Georgia. In addition, the EU deployed a civilian Common Security and Defence Policy (CSDP) *Monitoring Mission (EUMM)* in Georgia in 2008, with the objective to contribute to the stabilisation of the situation on the ground following the August 2008 War. The Mission monitors compliance with the EU-brokered Six-Point Agreement of 12 August 2008, signed by both Georgia and the Russian Federation, and the Agreement on Implementing Measures of 8 September 2008. The Mission's mandate consists of stabilisation, normalisation, and confidence-building, as well as reporting to the EU and its Member States (MS) in order to inform European policymaking and thus contribute to EU engagement in the region.⁹

Georgia benefits from a *Mobility Partnership* and, since 2017, visa-liberalisation to facilitate short-term travel to the Schengen area. The country has been an active participant in *Erasmus+* as well as in other programmes, such as Horizon 2020, designed to promote Georgia-Europe education and cooperation in research and innovation. In the area of education, training and youth, Georgia has implemented reforms in order to build a modern education and training system, in line with the European Higher Education Area and the Bologna Process.¹⁰

While ENI-financed budget support, including complementary measures, has been by far the most used approach, Georgia has also received support provided through the project approach, including in the context of the DCI-financed thematic budget lines such as Civil Society Organisations and Local Authorities (CSO-LA, EUR 7.5 million), the European Instrument for Democracy and Human Rights (EIDHR, EUR 3.9 million in 2014-2020) and the Instrument contributing to Stability and Peace (IcSP) and its predecessor, the Instrument for Stability (IfS). A complete mapping of EU support in Georgia is presented in Volume III, Annex VII.

Georgia has benefitted from two *Macro-Financial Assistance* (MFA) operations in the form of loans and grants to support macroeconomic and financial stability during the period under review.¹¹ In addition, EUR 150 million in emergency MFA was earmarked to Georgia in line with the EU's April 2020 Joint Communication (JOIN(2020) 11 final)¹² announcing that it will provide international support to strengthen the global response to *COVID-19* using a Team Europe approach.¹³

Georgia also benefits from *ENI Eastern Partnership regional assistance* (amounting to around EUR 800 million for all six EaP countries for the period 2014-2020¹⁴). It is partner country within the Black Sea Synergy¹⁵ and a member of the Energy Community.¹⁶ The first aims to bring together different

⁷ As of 09.03.2022, The EC had tabled a proposal concerning the Council decision establishing the position to be taken on the Union's behalf in the Association Council in connection with the envisaged adoption of the Association Agenda between the European Union and Georgia for 2021-2027. See <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:52022PC0103>.

⁸ Eastern Partnership (2018): Takeaway of the high-level meeting between members of the commission and of the government of Georgia, (<https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/ec-georgia-high-level-meeting-agreed-outcomes.pdf>).

⁹ Note that the evaluation does not cover EU cooperation in the breakaway regions.

¹⁰ EC/ACEA/Eurydice (2020): The European Higher Education Area in 2020: Bologna Process Implementation Report. Luxembourg: Publications Office of the European Union.

¹¹ The first one (MFA II) amounted to a total of EUR 46 million, while the second one (MFA III) was of EUR 45 million.

¹² <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52020JC0011&from=EN>

¹³ Note that Georgia did not request the second half of MFA available (which would, anyway, have fallen outside the temporal scope of this evaluation).

¹⁴ ENI regional support for the Eastern Partnership is not earmarked per country. It is therefore impossible to identify individual country allocations.

¹⁵ https://eeas.europa.eu/diplomatic-network/black-sea-synergy_en

¹⁶ <https://www.energy-community.org/implementation/Georgia.html>


policy elements at EU's disposal (environment, maritime policy, energy, transport) and strengthen cooperation with Black Sea partners, while the second aims to achieve to create an integrated pan-European energy market. Georgia participates in one *Cross-Border Cooperation programme*, the Black Sea Basin Programme,¹⁷ which focuses on promoting cross-border trade, tourism, and joint cross border monitoring of and response to cross-border environmental problems.

Closely related to Connectivity, the EU is supporting infrastructure projects in transport, energy, water and SME development in Georgia with loans mobilised through the *Neighbourhood Investment Platform*¹⁸ (NIP), which pools resources from the EU and its MS and uses EU grants to leverage loans from international financing institutions, of which the major European ones are including the European Investment Bank (EIB), the European Bank for Reconstruction and Development (EBRD), and EU MS bilateral financing institutions.¹⁹

Two initiatives aiming to support the integration of transport and energy networks between the EU and Central Asia were the Transport Corridor Europe-Caucasus-Asia (TRACECA) and Interstate Oil and Gas Transportation to Europe (INOGATE) programmes.

4 Main findings

4.1 EQ1 - Responsiveness of the design

<p>To what extent was the EU's cooperation strategy with Georgia, taken as a whole, relevant to national/local needs and coherent with EU long-term policy objectives, including in particular the Association Agreement?</p>	
<p>Summary answer to the EQ</p>	
<p>EU cooperation with Georgia through financing actions and dialogue has responded to both country needs and EU political, strategic, and economic interests as represented in the Association Agreement (AA) / Deep and Comprehensive Free Trade Area (DCFTA) and the Eastern Partnership (EaP) regional strategy, in particular the “20 Deliverables for 2020” framework. The main areas identified in the AA are Public Administration Reform (PAR) and Public Financial Management (PFM), Rule of Law (RoL) including democracy and human rights; agriculture and rural / regional development including integrated territorial development, Small and Medium-sized Enterprises (SMEs) and Vocational Education and Training (VET) including skills development and matching, Connectivity, and Mobility and People-to-People contacts. The choice of priority areas was grounded in sound analysis of needs and opportunities in the Association Agenda. Objectives were explicitly set out, although somewhat lacking in a clear distinction between short-, medium- and long terms; and rather pro forma in analysis of risks and assumptions. Civil society and the private sector (essentially SMEs) were adequately represented in the prioritisation process. The complementarity between bilateral geographic cooperation and thematic programmes was good.</p> <p>High level policy and political dialogue at all levels – the Association Council, Association Committee and sub-Committee level in Brussels, in the context of senior-level visits in Tbilisi and Brussels, in the Human Rights Dialogue, in the Strategic Security Dialogue, at sector level in the context of budget support, and at regional level in the context of EaP platforms – has strengthened the cooperation programme, and in turn, cooperation has provided opportunities for enhanced high-level dialogue. At a sector level, much policy dialogue is more technical in nature, with the objective of ensuring that budget support conditions are met. Some EU staff expressed the view that, in the specific case of justice sector reform and rule of law, democracy, and human rights generally, particular cases, high-level political and policy dialogue in the context of budget support could have been more effectively used to ensure progress towards reform.</p>	

4.1.1 Appropriateness to respond to country's priorities and population needs (JC1.1)

EU cooperation with Georgia through financing actions and policy / political dialogue has responded strongly to both country needs and EU political, strategic, and trade interests. The

¹⁷ <https://blacksea-cbc.net/wp-content/uploads/2015/12/Decision-C2015-9187-JOP-Black-Sea-Basin.pdf>

¹⁸ https://ec.europa.eu/neighbourhood-enlargement/neighbourhood/neighbourhood-wide/neighbourhood-investment-platform_en

¹⁹ e.g., Kreditanstalt für Wiederaufbau (KfW), Agence Française de Développement (AFD). For further information on the NIP: <https://ec.europa.eu/neighbourhood-enlargement/neighbourhood/neighbourhood-wide/neighbourhood-investment-platformen>

EU's selection of priority sectors for cooperation was at all points in time explicit and followed a clear rationale based on timely and thorough context analyses and needs assessments. EU cooperation has been grounded in the Eastern Partnership (2009) and its update, the "20 Deliverables for 2020" document, designed to strengthen and deepen the political and economic relations between the EU, its Member States and the partner countries in line with shared global commitments and EU strategic interests as set forth in the Global Strategy for the European Union's Foreign and Security Policy of June 2016 and Political Guidelines 2019-2024. Political priorities were also outlined in the European Neighbourhood Policy (ENP) review of November 2015. More recently, the European Green Deal has underpinned cooperation in the Connectivity sector, with its emphasis on infrastructure, environment, and climate change (as well as Digitalisation). The EU has responded to the COVID-19 crisis with a broad range of emergency measures, including MFA and COVID-19 Resilience Contract (a specific type of State Resilience and Building budget support contract). The EU also applied flexibility under budget support (e.g. ENPARD III) to disburse early and modify indicators to enable an emergency COVID-19 response. The peace and security agenda was represented in cooperation through IfS / IcSP, the role of the European Union Monitoring Mission in Georgia (EUMM), and EU involvement in high-level political dialogue on resolution of the "unresolved conflict" while ensuring that the security situation does not deteriorate.

The AA / DCFTA and the derived Association Agenda covering 2014-2016 and 2017-2020, in which Georgia committed to reaching political association and economic integration with the EU, provided a clear framework for the EU-Georgia cooperation. The Association Agreement prioritises mutual commitment to cooperation in good governance areas, including in the fields of public administration and the fight against corruption, as preconditions for the effective implementation of the Agreement. Preconditions for cooperation in support of the Agreement include Public Administration Reform (PAR), as well improved Public Financial Management (PFM). Both of these have been priority sectors for cooperation. The EU's involvement in Rule of Law (RoL) reflects commitment to European values and comparative advantage in rights-based approaches. The importance attached to agriculture and rural / regional development reflected the dominant role of the sector in the overall economy, its importance for reducing poverty and disparities, support to the DCFTA, SME's, and VET are synergistic elements of the shared EU-Government of Georgia agenda of European integration. The DCFTA link is obvious, but Georgia's dynamic comparative advantage has been identified as lying in SME development, and inadequate VET, skills development, and matching of skills to needs, have been assessed as a barrier to SME expansion and labour market improvements, particularly for youth but also across the age spectrum through life-long learning and active labour market policies to bring "discouraged workers" into the labour force and ensure that human capital does not lie idle. The priority accorded to Connectivity reflects the geostrategic importance of Georgia as an East-West transit route, with complications for integration; but also its potential as a transport node including Russia, Turkey (now Türkiye), Armenia, and Iran. It reflects, as well, the need to upgrade energy and water infrastructure in line with the Green Deal. The selection of People-to-People contacts and Mobility as a priority area for cooperation can, along the same lines, be regarded as part of the integration agenda, and the opportunities it offers can be seen as an incentive to encourage good reform performance.

Cooperation, while maintaining a long-term view on EU-Georgia integration, responded directly to short- and medium-term priorities identified in the two Association Agenda (2014-2016 and 2017-2020) that spanned the evaluation period. In PAR, PFM, agriculture and rural / regional development, RoL, and the DCFTA, there was a traceable dynamic, with actions responding to evolving needs identified and lessons learned from past cooperation cited. SMEs, VET and Connectivity were, in effect "start-up" sectors for cooperation, but corresponded to needs that had been identified by Government and the EU in the context of using the DCFTA to maximum advantage. External assessments such as OECD-SIGMA and Public Expenditure and Financial Accountability (PEFA) findings played a central role in shaping PAR and PFM programmes, and the Council of Europe and its Venice Commission contributed to selection of priority actions in RoL, human rights (HR), and democracy. Also contributing to programming was Georgian civil society which, in accordance with the two Civil Society Roadmaps in force over the evaluation period (2014-2017 and 2018-2020), contributed to needs prioritisation and implementation monitoring in RoL, HR, and democracy. In strategic documents dealing with areas where vulnerable or at-risk groups are particularly relevant (e.g., ethnic minorities in agriculture and rural / regional development, youth in VET; women, sexual minorities, the disabled, and other populations discriminated against in RoL and HR, they are explicitly identified.

4.1.2 Appropriateness for pursuing the objectives of the cooperation (JC1.2)

Support in all sectors was guided by reasoned results frameworks. The AA/DCFTA provided the overall framework for cooperation. Single Support Frameworks (SSF) 2014-2017 and 2017-2020 articulated, for each priority sector, overall and specific objectives, with expected results enumerated for the latter. Indicators and sources of verification were identified. While overall and specific objectives are

spelled out in policy and programming documents, there is seldom strict delineation made between short-, medium-, and long-term ones. A welcome innovation was the inclusion of short- and medium-term priority areas for cooperation in the 2017-2020 Association Agenda, to which the SSF is the response. While not a perfect substitute for articulation of time frames in strategic and programming documents, this provides a framework to identify areas of intervention that should be pursued now and those better pursued some years hence.

Internal consistency of results frameworks depends on the level at which “internal” is defined.

Outside Connectivity, where standard good-practice engineering and project finance perspectives dominate, sector-level risk assessments, also presented in SSFs, tend towards the generic (political will, macroeconomic stability, capacity, etc.) and do not reflect a perspective that is analytical at the multi-sector, integrated level. From such a broader perspective, inconsistencies increasing the chance of unintended consequences can be better discerned. To take one example, EU support to Sanitary and Phyto-Sanitary (SPS) and food safety resulted in fears among segments of the population about impacts on the price of meat; fears which were exploited by pro-Russia political forces spreading disinformation on the impact of adopting EU standards. To take others, the consistency of improved mobility with the need to discourage brain drain is never questioned; nor is the possibility that improved in-country transportation may encourage rural depopulation in disfavoured regions despite local SME development and support for income opportunities (although there were actions specifically aimed at encouraging young people use their skills and knowledge locally rather than departing for Tbilisi or abroad). In Connectivity, the link between better road transport and increased road usage, with effects on GHG emissions is nowhere considered.

All country-level support in Georgia was aligned with the Eastern Partnership regional strategy, in particular the 20 Deliverables document. The Action Document for Support to EU-Georgia DCFTA and SMEs foresaw strong linkages between national and regional levels of support, and the EU supported Georgian SMEs through the multilateral policy dialogue as well as EU regional programmes. In the Connectivity area, Georgia was supported to participate in a number of regional initiatives.

In-country, the sector where support at national and local levels was most articulated was agriculture and rural / regional development through the European Neighbourhood Program for Agriculture and Rural Development (ENPARD), Regional Development II, and EU for Integrated Territorial Development (EU4ITD). Budget support for PAR, PFM and Economic Governance and Financial Accountability support also reached to the decentralised level.

A wide range of actors was targeted by EU cooperation. Civil society organisations (CSOs) were supported by the EU, which has reached out beyond well-established Tbilisi NGOs to reach other areas. Notable was EU support to the development of new community-based organisations, the Local Action Groups (LAGs). Actions targeting the private sector concentrated on SMEs, which make up by far the largest number of Georgian firms. With EU financing, the EBRD provided direct tailored technical assistance to individual SMEs, helping them adapt to the demands of a market economy; in addition, the SME Finance Facility, a funding instrument through European Finance Institutions (EFIs), supported long-term funding to the SME sector, particularly in agriculture.

4.1.3 Mutually reinforcing bilateral and regional geographic forms of cooperation support (JC1.3)

Throughout the evaluation period, bilateral support was complemented by investments under the Neighbourhood Investment Platform (NIP, formerly the Neighbourhood Investment Facility), the latter mainly in areas pertaining to Connectivity, such as environment, energy, and transport. These priorities correspond to the actions planned within the ENI Regional East Strategy Paper.

Complementarity between bilateral geographic cooperation and thematic programmes has been strong. The presence of the EU Monitoring Mission (EUMM) and EU involvement in high-level political dialogue regarding the unresolved conflict in the breakaway regions can be considered complementary to cooperation since it promotes long-term resolution of the crisis while preventing outbreaks of violence in the present. Cooperation support was linked to security (e.g., EUMM) and to spending actions by DG HOME (e.g., on border control, return and readmission, and trafficking in human beings) and DG Trade (e.g., technical trade assistance).


EIDHR was active in Georgia throughout the evaluation period, apart from one year (2016) when a funding reduction led to a temporary suspension of calls for proposals. The link between bilateral and thematic instruments was strengthened by the fact that the EUD has functioned as a regional hub for thematic contracts; for example, under the Global Public Goods and Challenges (GPGC) programme. A fairly recent country case study in the thematic evaluation of the CSO/LA thematic budget line characterised the instrument to be slow and incremental in developing in Georgia

but found that EU cooperation with the National Association of Local Authorities in Georgia was proving fruitful.²⁰

The EU-Georgia cooperation programme has been deeply shaped by high-level political and policy dialogue, at Association Council, Association Committee, and sub-Committees levels, and national level. There have been multiple senior-level visits to and from the country. At sector level, budget support has been the principal entry point for dialogue, both at relatively high level in substantive policy terms and at technical and operational level largely aimed at ensuring that conditions are met and programmes operate smoothly. The Human Rights Dialogue has informed cooperation in that area while giving civil society an important opportunity for input and the Strategic Security dialogue has dealt with the continuing crisis of the frozen conflicts. The EUD was actively involved in policy dialogue under the Eastern Partnership platforms on anti-corruption and public administration reform, reinforcing a regional dimension. In PAR, the PAR Council provided the policy dialogue venue, with civil society representation. Policy dialogue in the area of agriculture and rural / regional development was ensured through regular meetings of the Delegation with the Ministry of Environmental Protection and Agriculture (MEPA, formerly Ministry of Agriculture) and the Inter-agency Coordination Council on Rural Development (IACC). Policy dialogue related to the DCFTA and SMEs took place in multiple national and regional venues, as did dialogue related to the components of Connectivity (principally energy, transport, and environment and climate change) Policy dialogue on RoL, in the context of budget support but also at higher political level, has given the EU opportunity to express its view and exchange with interlocutors regarding actions inconsistent with European standards.

At the same time, and apart from press releases on dialogue at the highest levels, there is a dearth of information on the quality and sometimes even the detailed content of policy and political dialogue. The result is that much policy and political dialogue remains unexamined, perhaps an advantage from the standpoint of promoting a frank exchange of views, but making it difficult to judge quality, progress, or impact. As discussed under EQ 3 (see section 4.3), there is some question whether high-level political and policy dialogue in the context of budget support could have been employed more effectively in justice sector reform, and rule of law, democracy, and human rights more generally.

4.2 EQ2 - EU complementarity and added value

<p>To what extent has EU-Georgia bilateral and regional co-operation been coherent with and complementary to interventions of EU Member States and other donors, including in particular EU financial institutions?</p>	
<p>Summary answer to the EQ</p>	
<p>While there is no strict division of labour, the EU has extensively consulted with all stakeholders in order to avoid duplication and promote complementarity. Joint analysis and planning are in place, even if more recently than at first envisaged. Reflecting the presence of many donors, there has been strong development of coordination over the years. While overlap is avoided and complementarity is promoted, it is more difficult to find examples of synergy. EUD staff interviewed expressed the view that potential linkages between SME development and VET, where two budget support programmes ran on in parallel, were insufficiently exploited. However, the evaluation has also identified areas where there is likely potential that synergy was achieved within the EU cooperation programme and potentially with other donors, as well.</p> <p>As also discussed under EQ 3 (see section 4.3), a distinct source of EU value added is its ability to mobilise a large range of instruments, modalities, and delivery channels. In addition, the value added of EU cooperation is strong from the Georgian point of view because of the unique position the EU occupies via the Association process and the DCFTA, its unique ability in use of the budget support modality to provide sector policy-level support with a minimum of transaction costs and relatively high predictability, and MFA to provide emergency support at the broadest fiscal and balance-of-payments level while building in conditionality. Not to be forgotten is visa liberalisation, although Mobility Partnership labour mobility has been a disappointment from the Georgian point of view.</p> <p>From the EU-wide point of view, an important source of EU cooperation added value is visibility, an area in which progress has been made in Georgia, but there is more to be made. EUD cooperation staff has become increasingly insistent on implementing partners' better dissemination of Success Stories and Good Practices. The Team Europe approach is recent but has potential to boost visibility, especially since the EFIs are members of the team and blending plays a large and growing role in cooperation as the European Green Deal translates into action.</p>	

²⁰ https://ec.europa.eu/neighbourhood-enlargement/system/files/2021-01/la_eval_-_case_studies.pdf

EU cooperation has also added value because the EU is less subject to pressure from domestic political lobbies than MS cooperation agencies. This, combined with its financial clout, has allowed the EU to be in the forefront of donors engaging over the long term, and in the face of resistance by segments of society, in supporting controversial causes – including discrimination issues against sexual, religious and ethnic minorities, women’s rights, and freedom of expression.

4.2.1 Complementarity of EU support and the actions of EU MS and other donors (JC2.1)

Georgia is a “donor darling,” and documentary evidence indicates that strict division of labour has been slow in developing. In a number of sectors covered, such as PAR, PFM, agriculture and rural / regional development, and RoL, multiple donor interventions have been identified. VET is now another area of donor interest. Georgia is a country where donor coordination was an early concern and where multiple coordination structures, both Government- and donor-led, coexist. Government-led coordination is reported to be reasonably strong and donor coordination councils and working groups (many convened by UNDP) to function well. The EU, as the largest donor in the country, has a loud voice in all coordination.

In choosing priority sectors of intervention, the EU has consulted all stakeholders, including civil society, in order to avoid duplication, promote complementarity, and maximise value added. A welcome development has been steady progress on joint analysis and programming in Georgia, from donor commitments made in 2014 to an EU+ joint programming agenda set forth in the SSF 2017-2020.

While division of labour, complementarity, joint analysis and programming, and horizontal coherence (donors projecting the same policy message) are straightforward concepts and can be assessed credibly, synergy is more difficult to measure. The result is that synergy claims are often more aspiration- than evidence-based. A workable definition of synergy is the whole in combination being more than the sum of the parts considered separately, which might relate to economies of scale or scope, mutually reinforcing interventions, or non-linearities more generally.

While objectively verifiable examples of synergy are elusive, there are a number of dimensions in which synergy has likely been achieved. EU-led sector reforms open opportunities for smaller donors, including MS. In energy efficiency, EFI investments interact with energy market regulatory and governance reforms being implemented in the context of blending. EU support, combined with IMF cooperation in macroeconomic management, credibly resulted in outcomes better than would have been achieved by either actor on its own. There are also plausible inter-sectoral synergies, for example, between support for the DCFTA, SMEs, VET, and agriculture and rural / regional development. However, experts interviewed specifically identified EU support for VET and SME development as a nexus where the potential for synergy had been missed. EIB support in transport, particularly upgrading the East-West Highway, achieves broad synergies with economic development. (At the same time, it presents an interesting case of possible policy inconsistency, as it will almost certainly contribute to higher GHG emissions from road transport.)

EU value added has a number of dimensions, including being able to generate large sums of money for extended sector actions; its role, unique among donors, as a source of budget support, the leverage it enjoys via the Association process, and its long-term relationship with specialised and experienced implementing agencies. A significant source of cooperation value added from the European point of view is the visibility it brings for the EU. Visibility has been a persistent concern in Georgia. Large programmes tend to be implemented through international agencies, whether UN agencies, large MS agencies, or (smaller in scale) the Council of Europe, with consequent risk that the benefits tend to be associated more with the organisation that implemented the action rather than the EU which financed it. There has been significant progress over recent years, largely through EUD negotiations with implementing partners and the promulgation of guidelines. In addition, both EUD staff and project implementing agencies report that EUD managers have become more concerned with generating dissemination material, particularly of the Good Practices and Success Stories type. A similar visibility problem arises with EFIs such as the EBRD and EIB, when loans that are made possible by EU seed grants are identified with the financial institution actually making the loan.

One response to the visibility issue has been “Team Europe,” a relatively recent initiative that has so far been most prominent in the EU response to COVID-19, where it has played a major role in mobilising funds from the EU itself, from MS, and from IFIs, to support Georgia through the crisis. In addition to MFA, largely designed to compensate for the balance-of-payments and fiscal impacts of the plunge in tourism revenues, the EU has either reallocated or mobilised additional funding for health, socio-economic development, and protection of vulnerable populations. The EIB, also part of Team Europe, has supported lending to SMEs to help them survive the downturn. Not to be forgotten, a major component of the Team Europe approach is entirely Brussels-based: EU coordination of MS contributions to COVAX, the international vaccines initiative fund, from which Georgia benefits.

4.2.2 Added benefits of EU cooperation support (JC2.2)

The EU is the largest donor and, from the Association Council down to sector level, is the Government of Georgia's principal European policy and political dialogue partner. Georgia's aspiration for integration with Europe, broadly supported by the Georgian public outside nationalist and nostalgic circles, and at least publicly by its government, is an incentive that no MS acting alone would be able to offer. While EU relations with the other major bilateral donor in Georgia, United States Agency for International Development (USAID), are cordial and constructive, the U.S. remains associated in Georgian memory with the liberal free-market philosophy of the pre-2012 government, while the EU is associated with the more social model that has prevailed since.


The EU is less subject than bilateral MS agencies to the pressures of national political lobbies. The result has been that the EU has been able to engage over the long term, and in the face of resistance by segments of Georgian society, in supporting controversial causes – most evidently LGBTIQ issues, but also issues regarding women's rights, freedom of religion and expression, and ethnic minority rights. Through the Human Rights Dialogue, it has been able to keep these issues prominent and, particularly through its thematic programmes, has been able to support targeted interventions. Its support for civil society and the Public Defender's Office (PDO) has been important to advancing the broad human rights agenda in Georgia and holding Georgian duty bearers responsible for meeting their international commitments to rights holders.

The EU is perceived in Georgia as a long-term partner able to provide substantial resources on a predictable basis. The EU was present to support at the creation of democratic Georgia, it was present to support after its military crisis in 2008, and it was present to support after its political crises in 2012 and 2019 to date. In some of the major sectors covered here. – PAR, PFM, agriculture and rural / regional development, RoL, HR, and democracy – the EU has been the principal cooperation partner for well over a decade (since the mid-1990s in the case of agriculture).

The Association Agreement, accompanying Agenda, and the DCFTA spell out a long-term vision for European integration with sequenced steps. The budget support modality has provided substantial resources with lower transaction costs and greater predictability, conditional on meeting the agreed general conditions and performance indicators - as set forth in Financial Agreements. The succession of ENPARD and justice sector reform budget support programmes is evidence of the long-term nature of the EU's engagement. As new shared Government-EU priorities emerged, such as SMEs, VET, and Connectivity, EU cooperation has taken them on. The EU has consistently supported civil society, with long-term relationships with leading Tbilisi-based NGOs being complemented by partnerships developed with smaller ones in the regions. In the RoL, HR, and democracy, the EU has been a consistent supporter of the Public Defender's Office and of the Council of Europe's work with Georgia. While such project support is arguably more costly, in terms of uncertainty regarding the next project cycle, the availability of grant funds, etc., the EU has been a sufficiently consistent presence to score high on predictability – higher than MS partners.

A specific area in which the EU's role has been one that no MS could fulfil has been visa liberalisation. Bilateral visa liberalisation negotiations with over two dozen European countries, or even a sub-set of the half a-dozen ones of principal interest, would have been daunting and likely have left citizens both European and Georgian facing a patchwork of regulations.

4.3 EQ3 - Instruments, modalities, and funding channels

<p>To what extent have the various instruments, modalities and funding channels, and their combinations, been appropriate to achieve the objectives of EU cooperation with Georgia?</p>	
<p>Summary answer to the EQ</p>	
<p>The EU has used a broad range of instruments (ENI bilateral, regional, thematic), EIDHR, MFA), modalities (projects, blending, budget support with complementary assistance – TA, Twinning, grants), and channels (UN agencies, Council of Europe, private consulting firms, international and European financial institutions). This range, as mentioned in the answer to EQ 2 (see section 4.2), has been a source of EU value added.</p> <p>The main modality for EU cooperation support to Georgia has been budget support accompanied by a high degree of effective complementary measures. The advantages of budget support outweighed the disadvantages. At the same time, some budget support programmes and, in particular, their TA complementary components, have gone on so long that there has been a loss of dynamism and there is a risk of becoming self-perpetuating. This was, for example. the case in justice sector reform and ENPARD.</p>	

Policy dialogue was overall effective, even in the difficult RoL area, where it served as a safety valve allowing continued EU support and engagement even when some important trends were not consistent with the AA. Disbursement was by and large smooth in PAR, PFM, and agriculture and rural / regional development (in the latter case despite tight conditionality for variable tranches). In SME development, budget support timelines were reported to have been too ambitious when compared to the pace of the reform implementation actually achieved. Where there were delays in disbursement, as in the justice sector in 2016-2017, the reasons were adequately explained, but some hurdles, in particular those having to do with reform of the judiciary, may have been set too high. The most serious implementation delays were in Connectivity, and have to do with the intrinsically delay-prone process of infrastructure project preparation (land acquisition, public consultation, environmental, social and governance impact assessment), procurement, and the knock-on effect of delays at any point early in the construction critical path.

The availability of data for strategic analysis, programming and monitoring has been found to be mixed. The last general population census was carried out in 2014 and results were available by 2017, so there was an adequate statistical base for programming; however, there are no up-to-date household income and expenditure surveys or labour force surveys. The National Statistics Office of Georgia (GEOSTAT) is a reasonably strong agency, and has implemented a number of one-off studies with EU support. While disaggregation by and age sex has become increasingly common, they remain variable as does disaggregation, where relevant, by ethnicity. Informatisation of the justice sector, which might serve as a basis for identifying and addressing weak points, has been generally disappointing (as it has in other countries). Detailed output data have been regularly collected for the DCFTA, SME and VET indicators. Gender disaggregation has been introduced in national SME and VET data. However, as often observed, across the board there is a shortage of outcome/impact data.

In some sectors (PAR, PFM, agriculture and rural / regional development, and justice sector reform), EU support has now gone through multiple phases, and lessons learnt have been incorporated into evolving programmes, despite the challenges posed by overlapping phases (e.g., ENPARD I and II). The SSF 2017-2020 contained a credible list of lessons learned during the implementation under ENPI 2007-2013 and the SSF 2014-2016. A problem specific to ENPARD was that phases overlapped, meaning that a clean break and lessons-learned exercise was difficult.

The EU has heavily relied on international agencies for implementation, and the advantages and disadvantage of various funding channels was carefully considered. However, there have been persistent issues of visibility, which were first addressed by the promulgating guidelines for implementing agencies. More recently, the EUD has increased pressure on implementing agencies to disseminate information on Success Stories and Good Practices. Visibility is also an issue in the blending modality, where projects tend to be identified more with the lending EFI, not the EU whose grant element was leveraged.

4.3.1 Instruments, modalities, and funding channels facilitated attainment of intended objectives (JC3.1)

EU financial support to Georgia consisted very largely of Budget Support where a significant share of the total funds under each programme were allocated for Complementary Support (TA, capacity building, Twinning, etc.). The EU systematically and thoroughly analysed the strengths and weakness of the approach in Georgia – the double-edged sword of its dependence on national policies, the possibility of crowding out Government spending, the importance of performance indicators for leverage with Government buy-in, the fact that some results may not be fully under Government control, and the limitations on ministry ownership because ultimate control of sector allocations in the national budget doesn't reside with them (despite the budget support requirement for policy-based budgeting). In general, though, the degree of national reform ownership in Georgia has been assessed as high. A regional evaluation of the ENI dating from 2016 commented favourably on the instrument's promotion of national ownership. At the same time the evaluation has noted that some budget support programmes (notably ENPARD and in the justice sector) lasted long despite flagging Government budget commitment (in agriculture, perhaps due in part to changing governments with variable commitment to the sector) and failure to make progress towards major objectives (independence of the judiciary in the case of justice sector reform). In both sectors, as well, complementary TA went on so long, with the same expert team and counterparts, that they came close to becoming entrenched.

Policy and political dialogue take place in various formats, both government- and donor-led, varying according to the thematic area. Directly related with the Association Agreement, important fora of discussion include the Association Council, the Association Committee and specific sub-committees. The annual monitoring and reporting of national reform programmes, as well as budget support disbursement reviews, are an important part of policy dialogue which assists the

Government and EU in identifying progress, as well as gaps, and the next steps required. All EU budget support interventions, as well as Connectivity and Mobility actions, allowed for adequate incorporation of policy reform conditionality; however, some stakeholders interviewed were of the view that high-level political dialogue and budget support conditionality should have been more vigorously used to achieve progress. At regional level, policy dialogue is ongoing at all levels with the Eastern Partnership, through which Ministerial meetings provide long-term political guidance on shared priorities. Policy dialogue also takes place with CSOs through the EaP through Civil Society Platform.

There has been a generally high degree of Government commitment to reform and openness to policy dialogue, but there has been at least one significant breach of the first, namely the unwillingness to undertake serious reform of the judiciary, discussed under EQ 5 (see section 4.5). To blame this problem entirely this on Government would be to oversimplify the complex causes of this reluctance, which reflects judicial culture, vestiges of a Soviet political culture that distrusts the separation of judicial from executive power, and the tendency towards clan-based politics in Georgia. At the end of the chain, however, lies Government unwillingness to force change. Budget support interventions in PAR and PFM were appropriate given commitment to reform, the presence of broadly accepted international assessments (OECD-SIGMA and PEFA), the central role of complementary measures, and the fact that both areas have multiplier effects across all areas of support. Without adequate PAR and PFM, the EU's cooperation with Georgia would need to undergo drastic qualitative and quantitative downgrading. Without improvement in PFM, it would have been impossible to place budget support at the centre of EU cooperation with Georgia for so many years.

By the present evaluation period, budget support was already long-established in PAR (although, disappointingly, there was no follow-up to the first programme), PFM, agriculture and rural / regional development, and justice sector. In DCFTA and SMEs, the decision for the provision of budget support was clearly and transparently linked to the eligibility tests foreseen in EU regulations and guidance. In all sectors receiving budget support, the EU established that a credible public policy existed, and a sound macroeconomic policy was in place. A satisfactory trend in the implementation of the PFM reform was noted and the requirements on budget transparency and oversight were in place. In some cases, such as the VET sector, a strategy 2013-2020 was developed by Government with EU technical support.

Funding channels for complementary measures to budget support have been adequately assessed, as exemplified by evidence from justice sector budget support (GIZ, UNDP, UNICEF) and migration management (ICMPD). Documents (e.g., in justice sector budget support) carefully assess the comparative advantage of implementing agencies in terms of expertise, field presence, long-standing relationship of trust with Government, and impacts on EU visibility. No evidence is relevant to the selection of private-sector actors, although in one area (child-friendly justice), implementation by a private European firm resulted in the recruitment of excellent European expertise.

4.3.2 Modalities and funding channels ensured timely delivery of EU support (JC3.2)

All stakeholders interviewed expressed the view that the EU's ability to deploy a broad range of modalities (projects, budget support, complementary measures such as TA, Twinning, and grants) was a significant source of value added. During the period covered by the evaluation, the trend in Georgia has been towards an increased use of indirect management through international agencies under the complementary actions component of the budget support programmes (TA in particular), which raises costs and may discourage competitive bidding.

There has been adequate flexibility in the implementation of budget support. Budget support consists of fixed tranches, disbursed when General Conditions are met, and variable tranches, disbursed when review (often but not always involving external expertise) indicates that performance indicators, as well as General Conditions have been met. When Specific Conditions have not been met, variable tranche disbursements are reduced in accordance with the degree of non-compliance. Some flexibility is built in, because all budget support agreements contain clauses permitting Government to propose re-negotiation of performance indicators under exceptional and justified circumstances. Indicators have sometimes been found to be ambiguous or otherwise unsuitable, as was the case in ENPARD II; on such occasions, modifications were negotiated between the EUD and Government, or changed *in extremis* as in the case of COVID-19 and ENPARDs III and IV.

The way BS programmes were designed allowed for smooth implementation; where the timing of BS disbursements significantly differed from the initial schedule, this was largely explained by delays in the implementation of the agreed reform. When comparing the actual disbursement schedule with the one that was planned and set forth in the Financing Agreements/ Technical and Administrative Provisions (TAPs), it appears that disbursements were by and large smooth in PAR, PFM, and agriculture and rural / regional development. An external report on DCFTA support found high compliance with the initial schedule, but criticised that the disbursement conditions were entirely activity-

and process-oriented; based on implementing Annual Action Plans rather than progress towards cumulative results. In SME development, persons interviewed felt that budget support timelines negotiated between the EU and sector officials were unrealistic, leading to problems. Where there were delays in disbursement in any sector, the reasons for this are explained.

The sector that stands out for budget support disbursement delays is the justice sector in 2016-2017. Problems were failure to achieve reforms in registration of land titles, issues related to creating an independent investigative mechanism to investigate wrongdoing of law enforcement officials, juvenile justice, and effective investigations of alleged ill-treatment. There was also an issue with prosecutorial reform. In total, the EUD judged that only 4 of 11 performance indicators had been specified; in addition to which, there was an issue on the General Condition related to public policy. In the specific area of juvenile justice, there was an exchange of letters between the HoD and the relevant ministry, in which the latter objected that the called-for construction of a modern juvenile detention facility was no longer necessary because reforms had eliminated the need for it.

In the area of blending projects, implementation delays have been more the rule than the exception. Some of these were attributable to COVID-19. However, whatever the financing modality, infrastructure project cycles tend to be very long, with delays arising from preparation (land acquisition, public consultation, environmental, social, and governance analyses). Construction contract complications and delays are common; however, persons interviewed expressed the view that a joint review process between the EU and financial institutions could significantly reduce the delay problem.

There has been no change in context over the evaluation period significant enough that major strategic adjustments were necessary in Georgia. As exemplified by justice sector reform and the problem of judicial independence, policy dialogue provided a safety valve through which the EU could flexibly react to challenges when they arose without seriously disrupting carefully designed cooperation programmes. The example of flexible EU response in mobilising extra resources in response to the exceptional circumstance of COVID-19 is discussed elsewhere.

All budget support agreements include standard language that Government may request a change in exceptional and duly justified cases, to allow adjustment of the variable tranche indicators when there has been sufficient documented progress in the targeted reforms and the performance indicators could not be met for reasons outside the control of the Government. A partial payment can be made, if the design of the programme contained such a provision, or if it allows to defer in such exceptional circumstances the reassessment to the next disbursement. Such options need however to be agreed ex-ante at the request of the Government at the latest before the first quarter of the period under review.

4.3.3 EU cooperation support benefitted from solid monitoring, evaluation and learning mechanisms (JC3.3)

The overall data availability situation is mixed but, on balance, reasonably good. The last general population census was carried out in 2014 and results were available by 2017, so there was an adequate statistical base for programming. The national statistical service GEOSTAT publishes an annual study on women and men in Georgia containing basic statistics, although these are too aggregated to be of much use for programming or monitoring and evaluation. GEOSTAT has reasonable capacity to carry out special-purpose surveys and studies, of which the EU supported a number over the evaluation period. All of these are, however, one-off donor-financed exercises. To judge from the GEOSTAT website, the last household income and expenditure survey dates from 2010 and the last labour force survey from 2009, indicating a significant gap in data availability. By contrast, the Agriculture of Georgia yearbook contains data on land holdings, income, etc. disaggregated by region and sex. Trade data, as is usually the case, are comprehensive and up to date, and gender disaggregation has been introduced in national statistics covering VET and SMEs.


Less clear is the extent to which evidence has been collected at outcome levels in the context of cooperation. The case of the DCFTA budget support, where external experts characterized the Specific Conditions as being entirely activity-based, has been mentioned above. Data on gender are examined when looking at human resources aspects of PAR. Gender-based budgeting in Georgia is still at the exploratory stage and limited to the assignment of a gender-relevance index to programme budget expenditure items. Data collection by FAO and CSOs implementing agriculture and rural / regional development actions was extensive and the data were used to inform strategy formulation and monitoring, but with little gender and ethnicity disaggregation. In the justice sector, the EU supported the use of European Commission for the Efficiency of Justice (CEPEJ) data to improve outcomes; however, as in other countries (there is a fairly recent thematic evaluation of EU support to RoL in the Neighbourhood and Enlargement regions), informatisation of the justice sector has been a disappointment. As evidenced in programme assessment reports and evaluations, Association Implementation Reports, internal management reports, Government reports and documents of other

stakeholders, detailed output data have been regularly collected for DCFTA, SME and VET indicators. Data has increasingly been disaggregated by sex and age. However, outcome/impact level data are rarely available.

A strong point of the EU's cooperation support in Georgia has been the fact that, in some sectors (PAR, PFM, agriculture and rural / regional development, and justice sector reform) it is long-standing. This has allowed accumulation of a stock of experience and lessons learned. The SSF 2017-2020 contained a credible list of lessons learned during the implementation of the ENPI 2007-2013 and the ENI 2014-2016. All programming documents examined, e.g., Action Documents, contain Lessons Learned sections, including identification of factors linked to past successes. In some cases, lessons learnt are rather generic (the importance of government commitment, the role of capacity building, etc.) but in others, e.g. agriculture and rural / regional development and, particularly, Connectivity (not a budget support sector), they are quite granular.

Awareness of EU contribution, as discussed elsewhere, is a persistent problem, partly because of the budget support modality and indirect management; at the same time, Government and popular sentiment remains overwhelmingly supportive of closer ties with the EU via the Association Agreement and Agenda. [At the same time, Government actions post-Ukraine; e.g., resisting sanctions, have been ambiguous.] National authorities are aware of non-spending actions because they are the principal interlocutors in policy and political dialogue. The same goes for Georgian civil society, which is heavily implicated in policy dialogue. Awareness of regional support, on the part of national authorities, but also civil society is raised by the fact that Georgia is regarded as a strong performer in the Eastern Partnership.

4.4 EQ4 - Public Administration Reform, incl. Public Financial Management

<p>To what extent has EU support to Georgia contributed to improving the efficiency, accountability and transparency of the public sector through Public Administration Reform, including improved Public Financial Management?</p>	
<p>Summary answer to the EQ</p>	
<p>The overall objective of the PAR budget support programme was to improve the efficiency, accountability and transparency of the public administration of Georgia in line with the European Principles of Public Administration and following the PAR Roadmap 2015-20. Recent assessments have identified significant improvements in openness and accountability, including responsiveness to citizen requests for information, the putting in place of the Municipal Management System with increasing integration into the e-governance portal www.my.gov.ge, and the one-stop-shop centres for public access to information and public services. These improvements were achieved despite consecutive leadership changes in the Administration of Georgia, the restructuring of central government in 2017-2018, limited and non-institutionalised financing to professional development, and high public servant turnover.</p> <p>Georgia continues to perform well on international indices of corruption and governance, yet significant proportions of the public continue to believe that abuse of power by high-level individuals is common and there has been a steep and sustained decline in confidence in all public and democratic institutions (discussed further under EQ 5 – see section 4.5) that began in 2016-2017 and accelerated after 2018.</p> <p>Comparing the 2017 and 2012 PEFA reports, Georgia made steady progress in PFM, an assessment which a 2018 IMF review confirmed, as did a July 2019 report of the EU itself. Georgia is an outstanding international performer in the area of budget openness. Remaining PFM weaknesses to be addressed include the oversight function of the Parliament, limited public participation in the budget making process and limited technical capacity of civil society organisations to engage in a substantive policy dialogue.</p> <p>The EU supported PFM reform at sub-national level in line with the Decentralisation Strategy 2020-2025, in which more responsibility, funding, and accountability is given to municipalities with the end-goals of increasing citizen engagement and ultimately satisfaction with municipal service delivery. Survey results indicate that satisfaction with local services and trust in local institutions remains about the same, disappointing when PEFA found clear improvements in citizen engagement in the budget process.</p>	

4.4.1 Increased public institutions' capacities (JC4.1)

Public Administration Reform (PAR) and credible Public Financial Management (PFM) are central to all budget support programmes and can be considered cross-cutting in nature. The overall objective of the

PAR Budget Support Programme was to improve the efficiency, accountability and transparency of the public administration of Georgia, in line with the European Principles of Public Administration and following the PAR Roadmap 2015-20 and its Action Plan as called for in the SSF 2014-2017, which provided the framework for budget support. In the early years of the Programme, support to PAR focused on five pilot Ministries – Ministry of Justice, Ministry of Agriculture, Ministry of Economy and Sustainable Development, Ministry of Health and Ministry of Education. In 2018, PAR was expanded to all Ministries.

Accompanying measures to budget support provided capacity building and advisory services for policy development and monitoring, involved civil society (local and international NGOs, CSOs) and developed statistical data. Measures also included Twinning for the Civil Service Bureau and the State Procurement Agency (SPA). TA sought to strengthen the institutional capacity of the main stakeholders (Administration of the Government of Georgia, ministries, agencies, local authorities, and civil society) and also to improve the capacities of GEOSTAT and analytical units in the ministries to produce PAR-related statistics. To support the development of decentralisation policy within the area of local self-governance, TA was provided to public institutions and (through grants) to CSOs. The PFM Coordination Council, which coordinates policy amongst different PFM stakeholders, includes the participation of civil society organisation representatives. TA also strengthened the strategic policy framework and the institutional capacities of the Ministry of Regional Development (MoRDI), local structures and civil servants. In addition, support was provided for communication and awareness-raising of the PAR process, mainstreaming gender and ethnic minority issues into the PAR strategic framework and policies, and strengthening of the CSO role in policy making and oversight.

To summarise recent assessments, there have been significant improvements in the capacity of all institutions relevant to PAR, but much remains to be done. Slow improvement of capacity may in part be explained by consecutive departures at short intervals of Heads of the AoG in 2017, the restructuring of central government in 2017-2018, limited and non-institutionalised financing to professional development, and the relatively unattractive remuneration and working conditions in the public sector. Based on the 2018 OECD-SIGMA report, Georgia lags far behind in public scrutiny of and participation in the policy making process.

Despite the efforts at PAR described above, public confidence in public institutions has not strengthened, as recorded in the EU's Knowledge of and Attitudes toward the European Union in Georgia 2021 survey released late in 2021 (discussed also under EQ 5 – see section 4.5). The 2018 OECD/ Sigma report called attention to limited public scrutiny of government work and participation in policy making, lack of access to policy proposals (e.g., online), and the absence of formal and systematic requirements for public consultations. A USAID assessment cited over-concentration of power in the executive branch and insufficient engagement between government and the public in policy dialogue as factors undermining confidence, as well as wide gaps in democratic institutions between Tbilisi and the regions. These concerns are reinforced by the Caucasus Research Resources Centre (CRRC) Caucasus Barometer Surveys, which show that the Georgian public confidence in such bodies as, the executive branch, the Parliament, the President, the police, political parties, educational institutions, and the justice system has steadily eroded. These issues are discussed in more detail under EQ 5. Despite declining public confidence in government institutions, the number of respondents who support the shared government and opposition stated goal of joining the European Union and NATO remains high - 82 percent and 74 percent, respectively in July 2019. Post-Ukraine popular demonstrations demanding immediate application for EU membership are further evidence of this.

Based on the fourth disbursement report of the EUD on PAR budget support, there have been improvements in openness and accountability. Public entities' answers to requests for information are now above 90 percent. Community Centres have been constructed and are operational. 55 municipalities use the Municipal Management System and nearly half are fully integrated into the e-governance portal www.my.gov.ge. Citizens' access to information and public services has increased via the expansion of one-stop-shop centres for public services in rural areas, modernisation of municipal management, and expansion of e-public services.

PAR and PFM are closely linked to corruption and have addressed it with some success. The signal achievement of the Saakashvili government was the virtual elimination of petty corruption, which had become a scourge of daily life. That accomplishment has been maintained; nonetheless, public perceptions of high-level, grand corruption remain high. A spring 2018 public opinion survey conducted by the CRRC, found that only a trivial 1 percent of respondents stated that they or their family members had been asked to give a bribe in return for receiving public service in the past 12 months; however, 36 percent responded that abuse of power for personal gain by public officials is common – more than twice the 16 percent who responded that it was uncommon. NGO representative interviews, as well as the OECD's Anti-Corruption Network for Eastern Europe and Central Asia 2019 Monitoring Report on the Istanbul Convention, reported that risks of high-level corruption are not properly addressed. However, despite some negative comments by the budget support Compliance Review Mission

(disputed by the EUD), the civil servant asset declaration monitoring system functions credibly, with government reporting on the 2016 Action Plan as required by budget support conditionality. On international indices, Georgia continues to perform well. On the Transparency International index measuring perceived corruption in a country, in 2020, Georgia scored 56 out of 100 and was placed 45th out of 180 countries reviewed, up four places since 2012 (and ahead of a number of EU MS). On the International Budget Partnership's Open Budget Index, Georgia scored 74/100 on oversight and an excellent 87/100 for transparency, but a mediocre 44/100 on public participation in the budgetary process. The Corruption indicator of the World Bank Governance Index reached its highest (most favourable) level since 2007 (74 in 2016, 77 in 2017), although it diminished thereafter in 2018-20.

The EU has assisted decentralised PAR and PFM through its support to government at the sub-national level, in line with the Regional Development Programme (RDP) 2018-2021, the Decentralisation Strategy 2020-2025 and the Pilot Integrated Regional Development Programme (PIRDP) 2019-22. Contributing budget support actions included Regional Development II, EU for Integrated Territorial Development (EU4ITD) and EU for Economic Governance and Fiscal Accountability (EU4EGFA). The Decentralisation Strategy calls for the transfer of more responsibilities, funding, and accountability to municipalities. There are three main dimensions or pillars: increasing powers of local authorities, fiscal decentralisation, and citizens' involvement and transparency. Capital investment in the regions has increased sharply, the amount being spent on projects through the Regional Development Programme 2018-2021, for instance, is over four times higher than for 2015-2017. A 2017 survey conducted by UNDP in the regions shows satisfaction of citizens towards local services (infrastructure, kindergarten, social services, etc.) although they observed an evident lack of civic engagement, including in planning and monitoring of local development projects. According to a UNDP 2017 survey, the trust of Georgian citizens in local administration remains average despite overall progress in PFM through 2017 and 2018 as evidenced by the PEFA findings, which included positive assessment of improving engagement of citizens in the budget process.

4.4.2 Strengthened PFM system (JC4.2)

PFM plays a prominent role in the PAR Roadmap. A "Public Financial Management Strategy, 2014-2017" was adopted by Government at the end of 2013 to address the findings of the Public Expenditure and Financial Accountability (PEFA) assessment carried out in 2012. The next PEFA, carried out in 2017, found strengthening of the overall fiscal position, the establishment of a sound legal and regulatory framework for PFM, and tangible progress across a broad front. Areas in which improvement was observed included management and results-orientation of the budget and of public investment; International Public Sector Accounting Standards (IPSAS) and accounting and cash management reforms; tax and customs harmonisation with the EU acquis; macro-fiscal planning; public internal financial control; and supervision of private sector financial accounting and reporting. The PEFA assessment for the first time also covered the sub-national level. In 2018, an IMF review concluded that all quantitative performance targets for improved linkage between public finance policy and the Medium Term Expenditure Framework (MTEF) were met, and that ongoing PFM reforms had positively contributed to the reflection of sector policies' implementation in the MTEF. In the final disbursement note for ENPARD II (July 2019), it was written that significant progress in the area of PFM had been achieved by Georgia in the preceding decade, particularly concerning: introduction of medium-term planning and policy based budgeting, modernising external audit according, rolling out rules and procedures for the establishment of internal financial control and audit, steps towards proactive transparency and citizen engagement in the budget process, strengthened rules and procedures for fiscal discipline, revenue mobilization, and tax investigative functions. Progress has been made on aligning the State Audit Office and State Procurement Agency with European standards. A new "PFM Reform Strategy, 2018-2021" and Action Plan were published based on the results of the 2017 assessment after the publication of the 2017 PEFA review.

The State Audit Office, the State Procurement Agency and the Parliament are in the process of improving PFM-related governance standards. All procurements (public and private) are now channelled through an electronic portal which is linked to the Treasury e-system. The EU provided support to the SPA under MFA (2017-19 and 2020-21) and this included a successful Twinning component (launched in January 2019 and now completed), with Austria and Slovenia as partners, and was judged by the SPA to be successful (although the second year was disrupted by COVID-19).

Georgia is an outstanding performer in the area of budget transparency and oversight. The 2019 Open Budget Index (OBI) ranks Georgia as number five amongst the 177 assessed countries. There has been tangible improvement over the evaluation period: the OBI score was 55 out of 100 in 2010, 66 in 2015, 66 in 2017, 82 in 2018, and 81 in 2019. Such progress puts Georgia ahead of other countries in the Neighbourhood and Western Balkans regions and confirms the ability of past and ongoing EU-Georgia policy dialogue and cooperation to deliver strong results in a critical governance area. Parliament holds hearings on the State Audit Office's annual report as well as the report on the execution


of the state budget. As a direct result of EU-Georgia policy dialogue and cooperation, the Ministry of Finance is now regularly making publicly available, in Georgian and in English, a “Citizen's Guide to the State Budget”. Government is following up on recommendations provided by the State Audit Office and has committed to increased transparency also by providing implementation information in the documentation annexed to the annual budget execution report submitted to the Parliament.

At the same time, in PFM as in PAR, there is a persistent deficit in public participation. The 2017 OBI report underscored that budget transparency alone, without open and inclusive public participation in budgeting, will not lead to good governance and to realizing the expected positive outcomes that are often associated with greater budget transparency. And in Georgia, the score on public participation has lagged far behind those on transparency and budget oversight and public participation.

The main weaknesses of the system are the oversight function of the Parliament, limited public participation in the budget making process and limited technical capacity of civil society organisations to engage in a substantive policy dialogue. These weaknesses are targeted by the action EU 4ECO&GOV programme, creating opportunities for CSOs and business associations' engagement at the level of line ministries and in the Parliament.

While gender-based budgeting does not exist in a formal sense, the Parliament has prepared a detailed study examining the budget process from a gender perspective and has identified those areas with particularly high gender relevance. Work commenced in the spring of 2018 on how to develop and implement Gender Responsive Budgeting (GRB) in Georgia. Based on the selection of three pilot budget programmes (Ministry of Justice, Ministry of Interior and the Ministry of Labour, Health and Social Affairs), a series of working groups were set up to build capacity in GRB and support the carrying out of pilot GRB analysis. While GRB reports produced were presented as an annex to the 2019 budget programme annex, all of this work remains at a pilot and developmental stage.

4.5 EQ5 - Justice, Rule of Law, democratic governance, and human rights

<p>To what extent has EU support to Georgia contributed to strengthening justice, the Rule of Law, and democratic governance and human rights?</p>	
<p>Summary answer to the EQ</p>	
<p><u>Justice and Rule of Law</u></p> <p>Despite ongoing EU support for reform and heavy donor pressure through policy dialogue, judicial independence and accountability in line with international standards have proven to be difficult to attain in Georgia, due not only to resistance from Government, but from the judicial elite, a closed and highly politicised culture. However, at the end of the responsibility chain lies Government failure to come to grips with the systemic problem. Reform efforts have not succeeded in improving public perceptions of the justice system. Recent survey results show steep decline in public trust of the courts, the police, and the prosecutors.</p> <p>Also despite ongoing EU-supported reform, the independence of investigators from prosecutors remains weak and the incidence of plea bargaining remains high. Justice continues to be perceived to be slow, particularly in civil and administrative cases. EU support to insolvency law and ADR have laid the foundation for efficiency gains but remain at early stages of implementation.</p> <p>With EU support, the Government of Georgia has significantly expanded access to justice through the Legal Aid Service. Court decisions and laws themselves have become increasingly available on the internet, and a court information system allows citizens to track the progress of law cases in which they are involved. However, informatization of the justice system in the effort to increase its efficiency has been a disappointment despite significant support from the EU and other donors. Legal awareness remains limited. While gender-based and domestic violence remain serious due to traditional attitudes, EU support has contributed to an increase in the number of gender-based violence (GBV) complaints, restraining orders and prosecutions</p> <p>Due to effective TA, a major success has been EU-supported juvenile justice reform in line with international standards. While child-friendly justice is still a work in progress, there has been steady progress. The number of juveniles deprived of liberty has steeply declined and the number diverted from the criminal justice system has risen. As to adults, while the incarceration rate remains high, it is nowhere near the pre-2012 levels and there has been improvement in prison conditions due to monitoring by NGOs, the Public Defender's Office (PDO, the Ombudsman) and (until recently) the State Investigation Service. The EU has supported probation and programmes for reinsertion and resocialisation of offenders.</p> <p><u>Democracy governance and human rights</u></p>	

Credible survey data confirm a worrying steady downward trend over the evaluation period in confidence in state institutions and democratic governance itself. The evolution of public attitudes towards democracy is worrying. This has occurred at the same time that, as evidenced by numerous international reports, space for civil society has shrunk, particularly in the second half of the evaluation period, and Georgian media has remained fractured and lacking in non-politicised outlets. The current attitude of Government to civil society, particularly watchdog groups and those advocating for human rights, can only be characterised as unconstructive and hostile. Worsening the situation is the continued dependence of civil society organisations on donor financing, which not only limits their ability to set their own agenda but opens them to accusations from nationalistic and illiberal groups that they are promoting values foreign to Georgia. At the same time, human rights NGOs, mostly based in Tbilisi, are among the strongest in the country, and have shown great resilience. Women's NGOs are similarly strong, vibrant, and media-savvy. A major victory for EU policy dialogue and advocacy was adoption of the Law on the Elimination of all Forms of Discrimination, although there is little evidence that it is being implemented.

While several high-profile women occupy ministerial posts, women are still poorly represented in the Parliament, local posts, and political parties. Political participation of ethnic/linguistic/sexual minorities is also a perennial problem in Georgia, though ethnic/linguistic minorities fare better than sexual minorities. Due to traditional attitudes and, in particular, the position of the Georgian Orthodox Church, by far the most respected institution in Georgia, LGBTIQ rights have been for many years a thorny issue. In February 2020, the Government adopted an Equality Chapter to the National Human Rights Action Plan, yet grave doubts remain concerning its implementation. Lack of popular concern for human rights is a constraint, and as in the case of support for democracy, trends are not encouraging. However, despite popular indifference, the PDO, widely regarded as ineffective in its early history, had evolved, with EU support, by the beginning of the evaluation period into a credible and respected institution. European support contributed to a number of significant steps forward in the adoption of international human rights standards.

4.5.1 Justice system strengthened (JC5.1)

Accessibility of justice is multidimensional, covering availability and affordability of legal advice, absence of unreasonable hurdles and/or fees when seeking justice, timely and reasoned decisions rendered by courts, availability of Alternative Dispute Resolution (ADR) mechanisms, and general citizen awareness of existing remedies. With EU support, Government has significantly expanded legal aid services through the Legal Aid Service. The “pro bono culture” in Georgia's legal profession is not highly visible, although, many Tbilisi-based law firms have started to provide pro bono legal assistance to the population. While survey data on availability and affordability of qualified legal services are unavailable, the need for improved access to justice for Georgian population, especially those in more vulnerable and marginalized situations, was noted in the 2014-2016 EU Georgia Association Agenda and the 2017-2020 SSF.

Court decisions and laws themselves have become increasingly available on the internet, and a court information system allows citizens to track the progress of law cases in which they are involved. However, informatization of the justice system in the effort to increase its efficiency has been a disappointment despite significant support from the EU and other donors. As noted in the fairly recent thematic evaluation of EU support to RoL in the Neighbourhood and Enlargement regions, difficulties have been encountered in other countries, as well. Justice continues to be perceived to be slow, particularly in civil and administrative cases. As of August 2018, an audit found that the Integrated Case Management System installed earlier needed to be fundamentally re-modelled and proposed that the entire information technology (IT) structure of the justice system be examined and updated in line with requirements.

Awareness of the availability of legal remedies for GBV remains low among the population at all levels. However, a shift in public attitudes and the introduction of a Human Rights Protection Department by the Ministry of Internal Affairs, including the training of investigative and prosecutorial staff, have led to a significant increase in the number of domestic violence complaints brought, prosecutions initiated, and protection orders issued. Despite this, the issue of violence against women continues to be serious and the attitude persists in rural areas that domestic violence is an intra-family problem.

While progress in reforming the Prosecutors Office has been slow, a new reform strategy leading to the development of an appraisal system was adopted in 2017, However, the independence of investigators from prosecutors remains weak and the incidence of plea bargaining remains high. Judges are, however, now required to assess the fairness, and not only the legality, of plea bargains.

The EU supported juvenile justice reform with TA, and the 2016 introduction of the Juvenile Justice Code was a landmark event, as was the adoption of a Child Rights Code in 2019. The

Juvenile Justice Code has been judged to be in line with international standards. While child-friendly justice is still a work in progress, there has been steady progress, with the setting up at central and regional levels of a multidisciplinary cooperative mechanism (police, prosecutors, psychologists, social workers, lawyers) to implement the Code and significant increase in the use in juvenile cases of alternatives to prosecution and detention. The number of juveniles deprived of liberty has steeply declined and the number diverted from the criminal justice system has risen. As to adults, while the incarceration rate remains high, it is nowhere near the pre-2012 levels and there has been improvement in prison conditions, notably in health, but also in ill-treatment. Prison conditions are now regularly monitored by NGOs, the Public Defender's Office and, until recently, the State Inspector's Service. The EU has supported probation and programmes for reinsertion and resocialisation.

4.5.2 Rule of Law strengthened (JC5.2)

Despite ongoing EU support for reform and heavy donor pressure through policy dialogue, true judicial independence has proven very difficult to attain in Georgia. Problems include Constitutional ones regarding the separation of powers, politicisation of the Constitutional Court, selection and career advancement of judges, compelled transfers, and attempts to influence or intimidate judges. Among the harshest critics of the situation have been international NGOs. While noting scattered positive developments, Transparency International in its most recent (2020) assessment characterised post-2016 reform attempts as “fragmentary and inconsistent,” criticised the selection of Constitutional and Supreme Court judges and expressed concern that the higher levels of the judiciary were dominated by a small, politicised group of judges. It characterised the senior judiciary as being deeply opposed to reform. The most recent Nations in Transit report characterised the situation of Georgia's justice system in 2020 as one of “crisis” despite some reform attempts by Government.

Reform efforts have not succeeded in improving public perceptions of the justice system. According to the respected Caucasus Barometer annual survey data, confidence in the courts system improved during 2008-2013, but started to deteriorate during the evaluation period, reaching a low point in 2019, with 42 percent of the respondents distrusting the system and only 20 percent having faith in Georgian courts. Public trust of police plummeted from 60 percent of respondents in 2013 to 49 percent in 2019. According to the Attitudes of Georgia Population towards Judiciary survey funded by USAID, between 2014 and 2018, the share of respondents who fully trust the prosecutor's office decreased from 16 percent to mere 6 percent, with the share who fully distrust more than doubling from 13 percent to 27 percent.

One reason for popular distrust of the justice system is the weakness of commercial, private, and administrative law, including land and property rights – areas in which the average citizen is far more likely to interact with the justice system than in the area of criminal law. Improvement of, e.g., insolvency procedures, dispute settlement mechanisms, enforcement of judgments, and the simplification of land strengthening of property rights, especially by simplifying land registration, feature prominently in both of the Association Agenda in force over the evaluation period. As progress was gradually made in the area of criminal law, the EU has moved to support legal reform in these areas, as well. Private and commercial law reform were supported through TA provided by GIZ. There has been extensive drafting of concept and strategic notes, as well as proposed legislation on in civil procedure, public procurement, and land registration. As a result of EU support (through the GIZ project) and work of several USAID-funded projects, the Parliament of Georgia finally passed the new insolvency law in September 2020, which entered into force in April 2021. The Law on Rehabilitation and Collective Satisfaction of Creditors brought in many important changes, among them the profession of insolvency practitioner with the National Bureau of Enforcement charged with their licencing. The new Law on Entrepreneurs, also supported by GIZ and fully in line with EU standards, was adopted in August 2020 and went into force on January 1, 2021. With EU financing, UNDP and GIZ supported the development of ADR. The new Law of Georgia about Mediation went into force in September 2019. Based on this law a new Mediators Association of Georgia was created, but has not secured continued public funding, leaving it fully reliant on donor finance. While ADR has the potential to relieve court backlogs, its effects have yet to be seen, and there is lingering distrust of arbitration inherited from the Soviet period.

4.5.3 Democratic institutions strengthened (JC5.3)

The evolution of public attitudes towards democracy is worrying. In 2012, the Caucasus Barometer survey showed that 68 percent of respondents embraced democracy as preferable to any other form of government. Seven years later, support of democracy had shrunk to roughly half of the population. The decline in democracy perception has occurred in parallel with growing public distrust of state institutions. Other survey research from CRRC found that the preference for a democratic form of government which is associated with better protection of human rights and fundamental freedoms declined among Georgian citizens from 62 percent in 2013 to 49 percent in 2019. The EU Knowledge and Attitudes survey conducted bi-annually by the Europe Foundation shows that

the Georgian public is gradually becoming pessimistic about the future of democracy in Georgia. The share of those who believe that Georgia, while not yet a democracy, is developing in that direction has decreased by from 42 percent in 2013 to 26 percent in 2021. Furthermore, those who believe that Georgia is not developing in the direction of democracy increased from 5 percent in 2013 to 21 percent in 2021.

Against this background, media freedom remains a preoccupation in Georgia. As it is frequently put, Georgian media are free and pluralistic but highly polarized. While reforms have increased ownership transparency and led to greater satellite TV pluralism, it is owners, not journalists, who determine editorial policy. Journalists are subject to summary dismissal, and there have been incidents of journalists being assaulted with impunity when covering protest demonstrations. The gradual tightening of government's grip on media is dated from the runup to the 2016 parliamentary elections. According to the U.S. State Department's most recent human rights report, pro-government TV outlets do not allow opposing opinions to be aired and are reluctant to air investigative reports that are critical of the ruling party. In recent years, information integrity and media literacy has been high on the agenda of local and international interlocutors, especially as digital media is gaining more prevalence.

The EU has been committed to supporting Georgian civil society throughout the evaluation period, as evidenced by extensive consultation with NGOs during the strategic programming process, as well as in their role as implementing partners in areas such as justice reform and under ENPARD, and as dialogue partners. The 2014-2017 and 2018-2020 Civil Society Roadmaps are the frameworks for EU-Civil Society engagement. The challenge of civic engagement has been acknowledged by Government in multiple strategies and documents, including the Public Administration Reform (PAR) Roadmap and the 2014-2020 National Strategy for the Protection of Human Rights, which recognise the need to ensure "active participation of citizens in the decision-making processes that are going to affect them most." Civil society organisations have also monitored EU-supported PFM. The Georgian National Platform of the Eastern Partnership Civil Society Forum has been supported by the EU from the very beginning, and its most notable achievement is the 2015 MoU between the Platform, the Government of Georgia, and the Parliament to facilitate information sharing on reforms efforts and draft law and regulations, so that CSOs can provide their feedback and thus participate in the AA/DCFTA reforms.

However, many line ministries, public agencies, and local authorities still lack the appreciation of and skills to engage with civil society. According to the 2018 CSO Sustainability Index, central authorities are only "open to partnerships with CSOs on less controversial issues" and local authorities are unable to engage in meaningful policy dialogue "largely because of [their] limited independence from the central government." According to CSOs' own assessment, their participation in policy dialogue is hampered by the fact that "Georgian legislation does not require government authorities to hold consultations with civil society organizations. Even though tools exist for official participation in decision-making, such as commenting on draft laws, or the opportunity to participate in established working groups with state institutions, this process is still ad-hoc and depends on the institution as well as the topic for discussion." These issues were recognised in the 2018-2020 Roadmap.

There is, moreover, broad recognition that space for Georgian civil society, as in many countries, has shrunk over the evaluation period and in particular during its second half. This is evident, for example, in World Bank and Freedom House indices, and also by expressions of concern by the EU itself, which has cited the increasingly unconstructive attitude and outright hostility towards civil society, as evidenced by public statements towards critical watchdog NGOs.

The EU, together with Sida and UN agencies, has been instrumental in encouraging and supporting Georgia to adopt legislation in line with the country's 2014-2020 National Strategy for the Protection of Human Rights and revision of the Constitution in 2018 to include provisions on gender equality, anti-discrimination, and rights of the child. The recognition of equal rights for all is included in Georgia's Constitution and legislation has been put in place to promote non-discrimination and women's rights. However, while the existing legal framework is in line with international standards and the conventions that the country has signed, these measures have not translated into tangible anti-discrimination results or, in the case of gender, overall progress against regionally and globally comparable equality outcomes. Although Georgia achieved near gender parity in educational attainment, the country needs further improvements on key global indicators of economic status and political voice. While several high-profile women occupy ministerial posts, women are still poorly represented in the Parliament, local posts, and political parties. A change in this regard was the July 2020 amendments to the Electoral Code of Georgia, whereby parties with more gender-balanced party lists can receive additional state funding. This is referred to the "25 percent gender quota," which resulted in increased female representation in the Parliament. However, one of the parties found a way around the quota. Political participation of ethnic/linguistic/sexual minorities is also a perennial problem in Georgia, though ethnic/linguistic minorities fare better than sexual minorities. Due to traditional attitudes and, in particular, the position of the Georgian Orthodox Church, by far the most respected

institution in Georgia, LGBT+ rights have been for many years a thorny issue. In February 2020, the Government adopted an Equality Chapter to the National Human Rights Action Plan, yet grave doubts remain concerning its implementation.

4.5.4 Human Rights Enhanced (JC5.4)

European support, including capacity building at the PDO, contributed to a number of significant steps forward in the adoption of international human rights standards. These include the Law on the Elimination of all Forms of Discrimination (a very significant success for EU policy dialogue and advocacy, although there is little evidence that it is being implemented), amendments to the Labour Code, in favour of women, and adoption of the Equality chapter of the National Human Rights Action Plan. Progress has been made on reducing the institutionalisation of children, many with disabilities, but both State- and privately-run homes continue to operate. The visibility of the PDO is fairly high in Georgia, with 68 percent of respondents to an EU/UNDP survey having heard of it. The gradual broadening of the PDO mandate, together with increased geographic coverage through establishing new representative offices, has brought about a significant increase in the number of public complaints filed. Both the 2011 and 2020 Transparency International National Integrity System Assessments show the PDO far surpassing the judiciary, the police, and Parliament in having a match between the de jure and de facto independence, transparency, and accountability; moreover, the relevant index had increased by roughly a third over the period, a performance only approached by civil society. The PDO is now capable of effectively investigating public complaints, raising public awareness about rights, and promoting good practice within government. The 2020 report still drew attention, however, to government reluctance to cooperate in investigations and overall low compliance with recommendations issued by the PDO, a problem repeatedly cited in PDO annual reports. And, discouragingly, Caucasus Barometer survey data show that public trust in the PDO is well below public trust in institutions such as the Church and even the police.

Lack of popular concern for human rights is a constraint and, as in the case of support for democracy, trends are not encouraging. There are very few longitudinal surveys of public opinion in Georgia and even fewer of these are asking specific questions that assess the public's knowledge and assessment of the human rights situation in the country. One notable exception is the bi-annual EU Knowledge and Attitudes Survey, which conducted by Europe Foundation through CRRC-Georgia. According to this survey, the percentage of people who believe that the country's human rights situation warrants its membership in the European Union declined from 42 percent in 2011 to 33 percent in 2019. The numbers are similar for adherence to the rule of law (42 percent in 2011, 27 percent in 2019), protection of minorities (57 percent in 2011, 37 percent in 2019), and formation of democratic institutions (41 percent in 2011, 31 percent in 2019). A survey question relevant to perceptions of human rights is the Caucasus Barometer (CB) question on the way people are treated by the government, with 50 percent of respondents assessing that treatment as fair in 2013 but only 35 percent in 2019.

Despite popular indifference, the Public Defender's Office (PDO), widely regarded as ineffective in its early history, had evolved, strengthened by capacity building to which the EU contributed, into a credible and respected institution by beginning of the evaluation period. Over the evaluation period, the PDO has been supported by the EU through various means, among them through Human Rights for All initiative under the 2014 Special Measures for Georgia and Moldova, which these countries received after the events in Ukraine and were to supplement the EU-Georgia policy dialogue on human rights. Other EU-supported interventions that have targeted the PDO included the Combating All Forms of Discrimination in Georgia Project carried out during 2016-2020 to enhance the capacity of the PDO's Equality Department for better implementation of the anti-discrimination law, to increase human rights awareness with a view to combating prejudices which lead to discrimination, increase, capacity of the PDO to address the human rights situation of various minorities and vulnerable groups, including Persons With Disabilities, prisoners, women and conflict affected individuals, and support to strengthen the analytical capacity of the Office

High hopes for the role of civil society after the 2012 change of government have not stood the test of time. Following multiple successes in the months just before the evaluation period, and having avoided the global shrinking space phenomenon up to the lead-up to the 2016 parliamentary election, all of Georgian civil society, including human rights and women's NGOs, have suffered setbacks. Operational space for human rights NGOs further shrank rapidly following the 2018 presidential election. At the same time, human rights NGOs, mostly based in Tbilisi, are among the strongest in the country, and have shown great resilience, contributing to raising public and international awareness about infringements of human rights and fundamental freedoms, elite corruption and state capture, environmental degradation, the situation in Abkhazia and South Ossetia, including on human rights, etc. They have either initiated or participated in every important national or regional debate in Georgia. Women's NGOs are similarly strong, vibrant, and media-savvy. Both types of organisations have been the subject of smear campaigns by nationalist and illiberal interests, and have

been opposed in particular by the Georgian Orthodox Church, which accuses them of promoting secular, non-Georgian values.

What Georgian NGOs, even the most successful, share is complete dependence on international donors such as the EU, which limits their ability to set their own agenda and opens them to the accusation of pursuing foreign ones. This problem is most serious outside Tbilisi, where many NGOs are ephemeral, lasting only as long as project finance lasts. This has led the EU to reach out to non-Tbilisi CSOs, sometimes through sub-contracting requirements on contracts with Tbilisi-based NGOs. Dependence on projects also exacerbates staff turnover. They suffer, as well, from limited interest on the part of the public, which is far more concerned about unemployment, poverty, and other such issues than it is about human rights and gender

4.6 EQ6 - Agriculture and rural development

<p>To what extent has EU support to Georgia contributed to achieving an increase in the competitiveness of the agricultural sector and the diversification of economic activity in rural areas, as well as a reduction in rural/urban and territorial disparities and increased regional integration?</p>	
<p>Summary answer to the EQ</p>	
<p>Georgia's agriculture, regional development, and integrated territorial development strategies were all designed with the support of EU TA. An aspect of EU value added is that many countries in Europe have themselves been faced to respond to issues of rural-urban divide and rural stagnation, if not decline. Through the four successive ENPARD agricultural and rural development budget support programmes, a new approach for Georgia (and the FSU) to development of local rural communities, which emphasises the active involvement of local citizens, was introduced in the BS Complementary Support components. In the context of these successive programmes, farmers have been trained in agricultural techniques and business practices, support has been provided to SMEs in order to create off-farm employment opportunities and diversify the rural economy, and access to infrastructure such as rural roads has been improved although many households remain unconnected to rural water systems and access to education remains substandard. EU support contained a strong gender (and youth opportunity) component, but hard data on results are not easily found. All indications are that women continue to be at a substantial disadvantage in rural areas. Building on support for agriculture per se, the regional dimension of rural development and need for inter-regional balance was addressed by two EU Regional Development budget support programmes (only the second falls within our evaluation period), and the budget support programme EU4 Integrated Territorial Development (EU4ITD). As discussed under EQ 4 (see section 4.4), EU-supported decentralisation of PAR and PFM has also affected rural regions.</p> <p>Despite EU support, Georgian agriculture remains essentially small-scale and household-level. Increases in output, yields, and competitiveness have not materialised; in fact, Georgia has been the worst performer in post-Soviet agriculture. Under ENPARD, the EU gave special attention to strengthening farmers' cooperatives, with signs of success, but these represent only a small slice of Georgian farming. Much EU support focussed on processing for niche markets such as honey and hazelnuts, but structural problems in the form of low skills, insufficient fertiliser, and low-yielding varieties continue to characterise the sector as a whole. There was unquestioned progress attributable to EU support in phytosanitary approximation, crucial to increase agricultural exports to the EU under the DCFTA, and in food safety, a major issue for Georgian consumers and an area in which disinformation was widespread. Despite this, the potential of Georgian agriculture to export to EU markets under the DCFTA remains unfulfilled (see also EQ 7, section 4.7). Georgia remains heavily dependent on food imports.</p> <p>Data availability, in particular lack of recent labour force and household income and expenditure surveys make it difficult to assess the impact of EU support. The most recent GEOSTAT estimate is that 24.1 percent of rural households lived below the poverty line, as compared to 20.9 percent in urban areas. GEOSTAT also reports a significant, but modest, decline in the urban-rural monthly income gap, with the urban-to-rural ratio declining from 1.73 in 2014 to 1.68 in 2020. The national poverty headcount rate is estimated by UNICEF to have increased from 16.4 percent of total households in 2015 to 19.6 percent in 2017, but the latter still represents an improvement over 2013.</p>	

4.6.1 Increased competitiveness of the agricultural sector (JC6.1)

Georgian agriculture has received substantial support from the EU since the beginning of the last decade via the ENPARD, as well as from other donors, and enjoys improved access to external markets and, in particular, to the EU through the DCFTA. Despite this, the sector been a poor performer in Georgia relative to the country's neighbours. Moreover, after an initial phase

when an increasing share of the State budget was allocated to agriculture, this faded in the later years of the evaluation period, indicative of flagging government commitment.

Georgia has since independence shown the worst agricultural output performance among all countries of the former Soviet Union. The contrast with other countries within the Caucasus, which have also promoted small-scale family agriculture, is striking (even Azerbaijan managed to achieve much better results despite the negative impact of the Dutch disease resulting from its energy resources). Georgia is a net food importer, with resulting pressure on the balance of payments. The difficulties within the agricultural sector have proved a key challenge for the Georgian economy, accompanied also by negative social impacts. A massive early increase in the share of the state budget allocated to the Ministry of Agriculture (which proved short-lived), coupled with stronger support from the donor community, has not translated into the anticipated increased output. Since the launching of the budget support programme ENPARD in 2013, there has been no growth in real GDP in agriculture, which remains 9 percent lower than at the time of the Rose Revolution of 2003, albeit with fewer farmers working the land. Improved processing does not appear to have compensated for the decline in agricultural production, since the manufacture of foodstuffs has remained steady at 1 percent of GDP. The picture for competitiveness of the agriculture sector is also unsatisfactory. For many crops, yields are inferior compared to those of neighbouring countries with comparable levels of development and agronomic potential, such as Turkey (now Türkiye). Despite improved yields in some areas (vegetables, dairy), the poor performance in yields for most crops suggests that EU efforts to improve agricultural efficiency and competitiveness have not been effective. Most have been confined to niche products (such as fruits and vegetables) exported within the region, not beyond.

Georgian agriculture remains small-scale and largely household in nature, with only 20-30 percent of key crops (wheat, barley, maize, potatoes) being marketed in 2020. According to Annual Survey of Cooperatives financial data, the total profit of 77 cooperatives supported by ENPARD was, in 2014, GEL 722.700; in 2015 GEL 1.160.410; and in 2016 GEL 1.200.032. These are, taking into consideration the exchange rate and farm population as a whole, modest sums. GEOSTAT estimated that average monthly household farm income remained about 1.000 GEL (roughly EUR 300) between 2014 and 2020.

Complementary measures in the form of TA for capacity building were an integral part of all phases of ENPARD budget support. Towards the beginning of the evaluation period, TA provided to the Ministry of Agriculture (MoA) contributed to development and implementation of the updated Strategy for Agricultural Development of Georgia (SADG) 2015-2020. Much of the TA to MoA was aimed at strengthening capacity to implement budget support; i.e., manage funds, implement agreed activities linked to reform, and (especially) meet indicator targets in the Special Conditions; and generally to improve efficiency. Development of an agricultural extension system based on district-level centres improved smallholders' access to information and advisory services, with the potential for improved efficiency and market access. Also contributing to this were efforts discussed below to strengthen cooperatives. Under ENPARD II and III, TA continued to be provided through FAO and UNDP. Comprehensive Institution Building support to the National Food Agency (NFA) contributed to the approximation process in the phytosanitary field and provided training for food safety inspectors, both benefiting Georgian consumers. The infrastructure of the Laboratory of the MoA (LMA), was improved and equipment was provided, improving capacity for undertaking inspections in accordance with EU standards.

ENPARD has been instrumental in introducing European practices in rural development and has supported local capacity building and empowered local communities so that they participate in identifying and prioritising local needs and implementing initiatives through Local Action Groups (LAGs). Under ENPARD IV, it is estimated that more than 8,000 individual farmers received EU-funded training on agricultural and business management

The specific objectives of ENPARD I included supporting the development of business-oriented small farmers' organisations in the form of registered cooperatives. However, doubts were raised by the ENPARD I final evaluation as to the sustainability of this result because it was achieved with strong donor-financed incentives provided by the MoA. The expectations that cooperatives would contribute to increased agricultural output and increased revenue of members were, according to the final evaluation, both partially achieved. Overall food production within cooperatives had increased slightly. Various farm improvements – new vineyards, better livestock, increased mechanisation of the harvest – were attributed to the EU support. ENPARD-supported new cooperatives demonstrated a significantly better performance than the already-existing ones.

While all of these factors were found by a Tbilisi University research study to have led to an increase in output of the agricultural cooperatives, the total volumes were modest and had only a small impact on the overall country total. When considering the impact of the EU interventions on overall agricultural competitiveness (or on increase in average farmers' incomes), it must be kept in

mind that agricultural cooperatives covered a maximum of 20,000 members out of more than a total of 700,000 farmers country-wide. Other data suggest that there were, in 2016, about 1000 cooperatives with an average of about 10 members apiece. Whichever estimate is used, cooperatives are only a small slice of Georgian agriculture. A specific criticism of the final evaluation was that, while the implementing NGOs concentrated on improved processing, increases in farmers' incomes depended on improved yields, in products as diverse as maize and honey. With yields remaining low due to poor skills, insufficient fertiliser, low-yielding varieties, etc., processing designed to move farmers up the value chain had limited impact on the farm (or household) bottom line.

The raw number of cooperatives in Georgia declined by nearly a third between 2016 and 2019, but this is because of tightened legal and accounting rules governing the business structure. Much of the failure to meet these requirements resulted from inherited distrust of any collective business structure and aversion to cooperative financial reporting requirements, still associated in the older farmer groups with the former *kolkhozy* and *sovkhozy* (collective and state farms), as well as purchasers' preference to deal with an individual as opposed to a business structure.

The EU's agriculture and rural / regional development contained a strong gender component.

However, in the absence of a labour force survey, broad data on rural activity of women is not available. The only evidence gathered concerned cooperatives. Between 2015 and 2016, there have been noticeable increases in the proportional representation of females in membership, paid employment, and management of cooperatives supported by ENPARD; however these have been very small in magnitude.

4.6.2 Improvements in food safety and quality standards and inspection practices (JC6.2)

EU support to the the DCFTA/AA contributed to progress in this area, required under the AA and the DCFTA and important to promoting export of Georgian agri-food products to non-EU countries. Food safety inspection and control was also an issue of great concern to Georgian consumers. It was, as well, a source of pressure from Russian interests, which spread misinformation that rising to European standards would raise consumer prices and decimate local agro-industry. All variable tranche indicators for the relevant result area under ENPARD II were met. ENPARD IV continued to build on Georgian commitment to continued reform in food safety and SPS measures. Yet, the High-Level Meeting between Members of the Commission and of the Government of Georgia of 21 November 2018 highlighted the need to improve export opportunities for Georgia under the DCFTA through better SPS and food safety systems, approximated to EU standards.

As concrete signs of success, the ENPARD II budget support assessment report of 2018 cited the process of registration of Food Business Operators, which had progressed substantially and allowed the National Food Agency (NFA) to establish more effective communication and interaction with these organisations and gave it better understanding of needs regarding training and controls. Sufficient progress had been made on training food inspectors to European standards. ENPARD IV provides further support to the NFA for improved inspection and control systems, and to continue the legal approximation process, including enforcement of newly adopted regulations. All laboratory methods listed in the Laboratory of the Ministry of Agriculture (LMA) pricelist as of June 30th 2018 were accredited in accordance with relevant EU and/or other International standards. The LMA Quality Management System is up to ISO standards. All specialised staff of one upgraded Border Inspection Post (BIP) are well trained, possessing the knowledge to provide food control procedures according to EU requirements. The review mission verified that the Revenue Service (RS) had trained the entire RS BIP staff of Poti, a busy port.

4.6.3 Strengthened rural development and reduced urban-rural and inter-regional disparities (JC6.3)

Recognising the need for more balanced regional development in addition to support for agriculture narrowly speaking, the EU has supplemented ENPARD with the Regional Development II and EU4Integrated Territorial Development budget support programmes, the first 2015-2017 and the second 2018-2021. This has resulted in a more multidimensional approach to rural development and has well complemented the traditional ENPARD agricultural development approach. **Rural development has apparently strengthened thanks to EU actions; whether disparities have been reduced is not clear due to data issues.** On the labour market front, "rural unemployment" is a slippery concept in Georgia because of the dominant role of own-account, household-based agriculture and of the informal sector in off-farm work. The annual GEOSTAT "Women and Men in Georgia" publication is useful at the aggregate level, but a credible answer to the gender aspects of the labour market would require the finer-grained data that (presumably) underlie it. All broad analyses indicate that women remain at a serious labour market disadvantage in rural areas. EU-supported cooperatives have provided opportunities, but the population benefiting is limited.


The capacity of local authorities, community groups and civil society groups, such as ENPARD-supported Local Action Groups, to formulate environment- and gender-sensitive local development strategies, has been strengthened by EU action. The goal of EU support was to encourage local stakeholder empowerment and creation of scalable bottom-up rural development initiatives.

Regional economic imbalances remain high in Georgia, especially between Tbilisi, the capital, and the remainder of the country. The capital alone accounts for almost 50 percent of the country's GDP, and 72 percent of business turnover. Urban-rural and inter-regional disparities take us beyond available data, but some indications are possible. As stated above, the most recent income and household survey dates from 2010, as a result of which, the real impact of ENPARD, and other initiatives, over the evaluation period cannot be credibly determined. UNICEF Welfare Monitoring Survey (2018) trends in household poverty are inconclusive. An estimated one-quarter of households lived below the “relative” poverty line – the meaning of which has not been explored- in rural areas, and one-fifth in urban areas. Extreme poverty (presumably the World Bank definition) is low at 4-5 percent in both rural and urban regions. The national poverty headcount rate is estimated by UNICEF to have increased from 16.4 percent of total households in 2015 to 19.6 percent in 2017, but the latter still represents an improvement as compared to 2013. In 2017, the nominal income of the average urban household was 867 GEL while that of the average rural household was 673 GEL. Note that this differs significantly from the GEOSTAT estimate cited under JC 6.1, indicative of the data uncertainties encountered. Data from GEOSTAT show a significant, but modest, decline in the urban-rural monthly income gap, with the urban-to- rural ratio declining from 1.73 in 2014 to 1.68 in 2020. Some of this is no doubt due to growth in urban-rural remittances, accelerated in both numerator and denominator by population movement from rural to urban areas . The percentage of the total population in rural areas is declining, with the fall increasing in pace since 2015. Some areas of Georgia have lost more than 50 percent of their inhabitants since 1994, and the country overall since then has witnessed a population fall of 24 percent.

Given the poor performance of agriculture and the subsistence nature of production, one explanation for the evidently shrinking (albeit, at a modest pace) urban-rural gap is non-farm income. If so, it can (and has) been argued that EU policy dialogue and substantial funding to agriculture, as well as for regional development, public administration, trade and other economic initiatives, have contributed to this progress in poverty alleviation. Under ENPARD III, a specific condition related to increased income of rural households through the establishment of SMEs. The third tranche review assessed that Government was fully compliant so far as the establishment of SMEs. Examination of the detailed databases of Enterprise Georgia and Georgia's Innovation and Technology Agency (GITA) confirmed that nearly 4.000 SMEs in rural areas were provided with financial and technical support and training during the years 2017-2019. However, that does not address the extent to which some support actually resulted in increased income. The EUD judged that it was likely that a fourth tranche condition on training resulting in SME start-ups and enhanced sales would be met, but COVID-19 related conditions may have made sales targets and multiplier effects in terms of the formation of additional SMEs unattainable. As a result, national partners proposed a reduction in the Indicator's business development targets while retaining the training target (much of which was achieved online). This was agreed by the EU and the fourth tranche of ENPARD was fully disbursed.

Other ENPARD specific conditions related to improved access to infrastructure. The ENPARD I final evaluation report asserted that support not directly related to agriculture, e.g. road improvements in rural areas, had had some positive impacts on the quality of life. The ENPARD III third tranche review judged that Government had fulfilled the condition on rural settlements with new or improved infrastructure; however, a specific condition related to an increase in the rural population with access to new or upgraded public infrastructure was considered by the fourth tranche Review as unlikely to be fulfilled, even allowing for the effect of COVID-19. While ENPARD does not have any direct influence over the availability of, and access to, basic services, they are still important indicators of well-being in rural communities. A number of rural communities are still not connected to the main rural water supply, while the availability of basic education in rural areas does not match the expected increase in general education, although there does appear to have been some improvement since 2015. In terms of social assistance, there has been little real change across rural areas during the period of ENPARD implementation. According to the UNDP 2017 survey cited under JC 4.1., there has been no marked improvement in rural respondents' level of satisfaction with public services.

4.7 EQ7 - Economic development and market opportunities (DCFTA, SMEs, VET)

<p>To what extent has EU support to Georgia contributed to better economic development and increased market opportunities including trade development, support to SMEs, innovation, vocational educational training and skill development?</p>	
<p>Summary answer to the EQ</p>	
<p>Georgia has made substantial progress regarding all trade-related approximation measures under the DCFTA, including Technical Barriers to Trade, standards and metrology, accreditation, food safety and sanitary and phytosanitary (SPS) standards, customs, customs protocols and competition law. However, in the area of public procurement and services the approximation process is lagging behind. Evidence of an improved trade environment is growth in Georgian exports to the EU as well as other markets since the DCFTA came into force. Overall, the gradual, ongoing implementation of the DCFTA Action Plans has produced results in the form of a positive effect on Georgia's economy in general and market access to the EU in particular. However, the effects of the DCFTA on Georgia's imports from the EU exceeded its effects on exports. Between 2014 and 2019 Georgia's imports from the EU increased by EUR 99 million (or 4.29%), while the corresponding increase of exports to the EU amounted to only EUR 13 million (or 0.92%). Given Georgia's heavy reliance on raw materials and commodities, changes in the export mix are not observed, suggesting that there has been no impact of DCFTA cooperation on Georgia's comparative advantage.</p> <p>It is broadly agreed that SME development is central to Georgia's growth and jobs creation, and the EU has provided significant support to the SME Development Strategy 2016-2020, which provided a new and significantly strengthened institutional and regulatory framework for SMEs. Georgia has improved on a number of widely used international indicators of business environment and SME policy. Despite this, and notwithstanding some individual success stories (for example, in the IT sector), there is no evidence yet for any significant diversification of SME sector and growing competitiveness of SMEs on internal and external markets. Whilst EU support has already resulted in better access to finance for SMEs, it is especially important to further relieving hurdles that the SME sector faces in obtaining credit. These include high collateral requirements and low financial literacy, which hinders entrepreneurs' ability to recognise and capitalise on potentially bankable projects.</p> <p>Government and the private sector agree that creating good jobs and relieving growth bottlenecks require improved skills development and matching with labour market needs. With EU support, the policy framework for VET has been strengthened along lines of European good practice; e.g., emphasis on lifelong learning and realising full labour force potential. The coverage of VET was expanded and the capacity of VET institutions across the country was strengthened in order to increase the compatibility between vocational education and labour market demands. It is frustrating, however, that at least up to 2018, the goal of expanding VET enrolment had not been met. The most notable developments in skills-matching and skills-development were an institutional reform of employment services in October 2019, but there has been no assessment of results to date. An important aspect of the EU's work in VET and skills has been the partnership established between government and the private sector (comprised almost entirely of SMEs). Also on a bright note, Georgia has consistently been ranked by international institutions as diverse as the World Bank, the OECD, and the conservative Heritage Foundation as an excellent performer in ease of doing business, economic freedom, etc.</p> <p>All EU support in the areas covered by this EQ have, in the interest of inclusive labour market development, included targeted components aimed at promoting the involvement of women, youth, and vulnerable groups. Many of the relevant measures and strategies only date from 2019 and are likely to have been affected by the COVID-19 crisis. Note, in that context, that emergency EBRD lending to SMEs was part of the EU's Team Europe response to COVID-19 in Georgia.</p>	

4.7.1 Improved trade environment in line with the DCFTA (JC7.1)

Overall, Georgia has made substantial progress regarding all trade-related approximation measures, indicating steady implementation of agreed DCFTA provisions and – as a direct result – experiencing an improved trade environment. Significant progress was evident by early 2021 in intellectual property laws, Technical Barriers to Trade, standards and metrology, accreditation, food safety and sanitary and phytosanitary standards (SPS), customs, customs protocols, and competition law. Public procurement, however, has been lagging behind the other areas, as has approximation in services. As these examples show, there is ample evidence for progress at the output level. In 2014 or

shortly thereafter, several new institutions were created – or strengthened in their capacity – to accompany and enable the implementation of the DCFTA.

If Georgia's ranking positions on the relevant indices and league tables are considered it can reasonably be concluded that the capacity of trade institutions is well developed. For example, Georgia ranks 7th (of 190 countries) in the 2020 World Bank's Ease of Doing Business index²¹, and 12th (of 189 countries) in the 2021 Heritage Foundation's Economic Freedom Index (an increase of 22 positions since 2012)²². In the 2019 World Economic Forum's Global Competitiveness Index in the category of "institutions", Georgia moved up five places from 48th position in 2014-15 to 43rd position (out of 143 countries).²³

As far as trade in goods is concerned, the effect of the DCFTA on Georgia's imports from the EU and on exports to the EU differs significantly. If the economic impact of the DCFTA is examined through the construction of a counterfactual scenario, i.e. a scenario of what would have happened had the DCFTA not come into force, the results for both Georgian exports to the EU and imports from the EU during the 2014-2019 period are as follows. The effects of the DCFTA on Georgia's imports from the EU exceeded its effects on exports. Georgia's imports [from the EU] increased by EUR 99 million (or 4.29%), while the corresponding increase of exports [to the EU] is only EUR 13 million (or 0.92%).²⁴ Regarding Georgia's exports, the two sectors that saw the biggest change compared to the scenario without the DCFTA are processed food (12.5% compared to the level without the DCFTA) and non-ferrous metals (4.5%). During the period 2014-2019 Georgia's exports to the EU experienced a significant concentration around copper ores and concentrates, growing almost threefold. As a result, their share in total exports also increased significantly – they accounted for almost 46% of EU imports from Georgia in 2019. Cereals and other agricultural products also showed a strong performance (38.3% and 8.6%, respectively), but the impact was not as significant in absolute terms. At the same time the impact of the DCFTA on the majority of Georgia's imports from the EU was miniscule, and in many cases negative.²⁵

Overall, the data suggest that the DCFTA has not yet resulted in a notable shift of comparative advantage in Georgia's export sector. EU Market access for Georgian exports has not significantly improved, as many products groups were already liberalised before the DCFTA came into force. However, there are some success stories which, at first glance, seem hardly relevant for the bigger picture but nevertheless indicate progress. For example, following successful SPS approximation, Georgia received authorisation to export pet food and more recently snails to the EU. Yet, existing trends rather confirm the assessment of the 2020 OECD SME Country Report Georgia, which found that "Georgia's goods export potential is limited by its low-value and undiversified export base. Outside the agriculture sector, used cars, re-exports and base metals account for a large share of foreign sales. The small size of the manufacturing sector limits opportunities to broaden its range of exports." Other hindering factors include the lack of competitive products, the inability to produce in scale, logistics challenges, difficulties in achieve compliance with the regulatory requirements in the EU, and the obvious fact that Georgia does not share a border with the EU. The latter puts it in a disadvantaged position in particularly vis-à-vis Ukraine and Moldova, countries Georgia is often compared to in the Eastern Partnership. A 2018 United Nations Economic Commission for Europe (UNECE) assessment that found that Georgia's existing exports to the EU were becoming more and more based on comparative advantage and not on preferential tariff rates cannot be sustained by evidence reviewed here. At the same time, it should be noted that Georgian exports have increased – in some cases substantially – to some non-European markets such as China and the Middle East.

The Georgian economy is dominated by SMEs, which hold the key to the employment creation, one of the country's top needs. The EU has provided substantial support to the development of SMEs, for example, through the EBRD's Small Business Support programme, which has been active since 2003. The main emphasis has been on assisting SMEs in the process of adapting to the demands of a market economy and achieving a tangible impact on their performance. Two agencies, for entrepreneurship development and for innovation and technology, were established to support entrepreneurship, consultancy services and the adaptation of SMEs to EU norms. Probably the most notable initiative was the founding of Enterprise Georgia under the Ministry of Economy and Sustainable Development to implement the programme "Produce in Georgia," launched in 2014. The role of the EU-funded GIZ project had been crucial for capacity building of Enterprise Georgia, which has supported small scale producers in licensing, certification, branding and packaging in order to grow and reach the foreign markets. According to interlocutors, to date Enterprise Georgia has supported 1054 individual

²¹ <https://archive.doingbusiness.org/en/rankings>

²² http://www.economy.ge/uploads/files/2017/reitingebi/2021/heritage_2021_1_eng.pdf

²³ http://www3.weforum.org/docs/WEF_TheGlobalCompetitivenessReport2019.pdf

²⁴ European Commission. Ex-post evaluation of the implementation of the Deep and Comprehensive Free Trade Area between the EU and its Member States and Georgia. Draft Final Report, 6 July 2022, p. 10.

²⁵ Ibid, pp. 11, 84.

projects with a total of USD 600 million creating some 30.000 jobs. 600 beneficiaries were supported on export-related measures, including visits to around 50 trade fairs in the EU; and 300 executive managers in the export sectors were trained. The OECD's SME Policy Index 2020 concluded that Georgia had considerably improved the operational environment for SMEs. While there is a lack of both data on the level of competitiveness of SMEs and a systematic analysis of diversification efforts, interlocutors noted that the most visible trends in diversification had been in the tourism sector which is also considered to be one of the most competitive ones – at least prior to the COVID-19-19 pandemic. Some positive developments in the service sector were also reported with regards to IT companies which had successfully entered into business ventures with Siemens and other firms. However, the small number of IT success stories is not yet visible in the overall trend.

4.7.2 Improved business environment for male- and female-owned SMEs (JC7.2)

According to the OECD SME Policy Index 2020, support for women's entrepreneurship has been strengthened through two Government strategies; the SME Development Strategy (2016-2020) and the Rural Development Strategy (2017-2020). A sub-committee of the Inter-Agency Commission for Gender Equality was established within the Private Sector Development Council with the specific purpose of closing the gender gap in entrepreneurship. However, the report also noted that substantial discrepancies between male- and female-owned SMEs still existed. Persistent gender stereotyping and the urban-rural divide - almost 60 percent of women-owned businesses are located in Tbilisi and Imereti regions – continue to hamper progress in the development of women's entrepreneurship. Several policy initiatives and actions plans exist to support and strengthen women's entrepreneurship in general and female-owned SMEs in particular. OECD data suggest that the approach has led to progress. Furthermore, in 2017 GEOSTAT begun publishing gender-disaggregated business statistics, including data on business ownership, wages and creation of new enterprises.

There is no shortage of advisory and capacity-building services regarding entrepreneurship, opportunity-recognition, innovation, value-chain analysis, e-commerce, ICT, and access to finance. The EU supported the Chamber of Commerce and Industry to open six DCFTA centres. These centres provide information on EU regulations and standards, as well as training and information on good practices. Additional training services are provided by the Georgian Agency for Standards and Metrology. While this kind of needs-based advisory services and support is important, it is not clear to what extent SMEs have taken advantage of, and benefitted from, existing services for the development of their businesses. In more general terms, the OECD Monitoring Report of the SME Development Strategy concluded that Georgia had made notable progress in developing skills and entrepreneurial culture, especially regarding skills needs anticipation, the involvement of employers in setting education and training standards, and the introduction of mandatory entrepreneurship modules in vocational education and training curricula.

The SME Development Strategy 2016-2020 provided a new and substantially strengthened institutional and regulatory framework for SMEs. The strategy defined 33 priority actions in support of SMEs – virtually all firms in Georgia, accounting for two-thirds of business sector employment – such as improving legislation, institutional and regulatory frameworks and the operational environment, as well as widening access to finance, developing entrepreneurial skills, broadening internationalisation and supporting innovation activities. In the same year the Private Sector Development Advisory Council (PSDAC) – the most important formal public-private platform – was created; it operates under the supervision of the Ministry of Economy and Social Development (MoESD). In addition, regular public-private roundtable discussions on the DCFTA implementation process have been organised throughout the country with the support of the EU-funded project "Facility for the Implementation of the Association Agreement". Furthermore, MoESD established a DCFTA Advisory Group as a consultation platform to bring together government representatives with employers' and business associations, trade unions and NGOs.

From 2020 with the support from EC Joint Research Centre, Georgia is developing a Smart Specialisation strategy for Imereti region as a pilot project to identify innovative regional potential and enhance research and business collaboration.

In 2017, The National Statistics Office of Georgia (GEOSTAT) revised its SME definition to comply with EU standards and increase international comparability. There is strong and well-documented evidence that the policy efforts have paid off. According to OECD data (SME Policy Index, Eastern Partner Countries, 2020) between 2016 and 2020 Georgia improved on all SME-related indicators: Institutional and regulatory framework, Operational environment, Bankruptcy and second chance, Entrepreneurial learning / Women's entrepreneurship, SME skills, Access to finance, Public procurement, Standards and regulations, Internationalisation, Business development services, Innovation policy, and Green economy. Access to finance has improved due to changes in the legal framework regulating the provision of grants to commercial entities, an increase in the financial support offered by state agencies and the implementation of a multitude of financial education initiatives.

Particularly during the latter half of the evaluation period, a number of governmental projects, managed by Enterprise Georgia, have laid the groundwork for improved access to finance through, for example, the co-financing of loans and collateral guarantees of up to 50 percent of the loan amount. A number of EU funded Access to Finance programmes are also available under the EU4Business umbrella brand. However, the specific needs of SMEs are still not sufficiently addressed and the country lacks a full-fledged credit guarantee scheme and alternative financing tools that could reduce the burden of the existing heavy collateral requirements on SMEs. Access to finance remains one of the most decisive bottlenecks for SMEs. High collateral requirements (up to 200 percent of loan value) and interest rates (at around 19 percent in local currency and 10 percent in foreign currency) still make it difficult for Georgian SMEs to borrow from the banks. However, interlocutors have also expressed the view that banks are prepared to lend money if profitable opportunities are presented to them, and one of the barriers to credit for SMEs is that entrepreneurs lack the financial skills to design bankable propositions. The internationalisation of SMEs is supported through a variety of export promotion activities and DCFTA information centres. However, Government does not yet provide targeted financial support, such as export loans or export credit insurance instruments, to overcome financing barriers and risks encountered when engaging in international trade.

As also addressed under JC 7.2., a diversification of the SME sector and growing competitiveness of SMEs on internal and external markets are not yet visible beyond some examples related to the IT and tourism sectors. SMEs are still predominantly present in low value-added sectors; i.e., trade (including repair of vehicles) (14.7 percent), manufacturing (7.2 percent) and construction (10.4 percent). Geographically, almost half of all SMEs are located in the capital, while the rest are distributed mainly in the three larger regions of Georgia: Imereti (14 percent), Adjara (8.6 percent) and Samegrelo-Zemo Svaneti (8 percent).

4.7.3 Improved skills development and matching with labour market needs (JC7.3)

The central policy document in the VET sector is the Strategy for VET Reform (2013-2020) which has focussed on increasing VET enrolment, developing public-private partnership, work-based learning, quality enhancement, continuous professional development of teachers and improving the link between VET and other levels of education. **There is solid evidence that the frameworks for – and provision of – VET have been strengthened. For example, the National Qualifications Framework was aligned with the European Qualifications Framework through an Order of the Minister of Education in April 2019.** The implementation of the Framework is supported through the EU-funded Twinning with the National Centre for Educational Quality Enhancement (NCEQE). Since 2019, short-term vocational education training programmes have become part of the formal education system. Furthermore, the VET system fully moved to modular learning, which focusses not only on the development of professional skills but also on basic skills (literacy, numeracy, etc.) and key skills (entrepreneurship, digital competencies, etc.). The programme has identified the need for life-long learning and positioned adopted a human capital perspective in which not only young workers can be trained but idle resources (“discouraged workers”) and persons whose potential is underutilised can be mobilised.

The 2017 Review of the EU-funded Sector Reform Contract (SRC) to support reforms in Employment and Vocational Education and Training (EVET) provides some hints on stakeholder engagement, albeit of a partly critical nature. The report concluded that most indicators under the three components - Effective Labour Market Management, Enhanced Quality and Relevance of VET System, and Efficient Transition from Training into Employment – had been fulfilled. However, the implementation of an improved framework for social partnership had not been achieved.

Since 2019 all VET programmes have been developed with a strong input from the private sector. Generally, however, in interviews the interest of SMEs to participate in VET was reported to be still low. The coverage of VET was expanded and the capacity of VET institutions across the country was strengthened in order to increase the compatibility between vocational education and labour market demands. However, data leading up to 2018 show that, despite substantial efforts to expand and develop the VET sector and strengthen the capacities of the institutions involved, Government had not been on track of achieving its ambitious target of increasing the number of VET students. This not does necessarily indicate a failure of the approach, as it is also reflective of the dramatic demographic change in the country, with rapid shrinking of the youth population. Some of this is the heritage of low fertility, but much reflects outmigration, a significant share of which is brain- and skills-drain. Also to be considered this that VET does not attract the most capable youth, to which the low salaries in SMEs for graduates is a contributing factor.

Regarding skills-matching, skill development, and employment services particularly for youth and vulnerable groups, the most notable developments were an institutional reform of employment services in October 2019 resulting in the separation of employment services from social services. Subsequently,


a new State Employment Service Agency (SESA) was established, strongly supported by the TA project implemented in the framework of Skills4Jobs programme. SESA started operations in January 2020. According to reports, this reform is expected to contribute greatly to the quality and effectiveness of employment services in Georgia but there is no assessment of achievements available to date. It is likely that the implementation of the reform has been hindered by the COVID-19 pandemic. The National Strategy 2019-2023 for Labour and Employment Policy and the Action Plan 2019-2021 of the National Strategy for Labour and Employment Policy aim at, inter alia, promoting the involvement of women and vulnerable groups in the labour market through targeted social and inclusive employment policies. No details on implementation are available at this stage. The same applies to the current National Youth Policy (in effect since 2014) which aims at, inter alia, increasing youth employment and “professional growth for the youth of high quality.

Furthermore, since 2018 the EU has provided targeted support through a dedicated project (“Skills Development for Matching Labour Market Needs in Georgia”), financed by budget support, focussing on (1) skills anticipation and matching; (2) skills development, quality and relevance; and (3) entrepreneurship development. At its half-way point in December 2021, the TA to this project had made decisive contributions to; inter alia, the drafting of the national VET Strategy and related Action Plan; the completed Career Guidance Strategy/Action Plan; approaches to innovative learning practices and online learning; improved VET access for several targeted groups; the development of professional standards for youth workers; an several initiatives reacted to data systems and analysis as well as networking of data sources with the objective of establishing a data warehouse using information from the Ministry of Finance. Although the many project outputs have yet to result in outcomes (something that cannot be expected at this stage), the project has already been instrumental in integrating skills development and labour market needs, two areas that had previously been approached and treated separately. Interlocutors described government ownership of VET as high (“*There is a very clear desire for the Government to be in line with EU standards*”) but also noted that there was need for better communication between – and harmonisation of – the individual sector policy platforms. The growing number of donor-funded projects in support of VET was identified as a challenge. As one interlocutor put it, “*donors are crowding into this sector and we need to make sure that there is a synergy and no competition and overlap. What the EU needs to do is make sure it has a good donor coordination system – this doesn’t not exist for the youth sector, for example*”.

Evidence for the existence and effects of international mobility mechanisms for students, researchers, workers, and professionals is limited to higher education and discussed mostly under EQ 9 (see section 4.9). Georgia is a partner state of the Erasmus+ programme and has participated in all programme components, i.e. International credit mobility (ICM), Erasmus Mundus Joint Master Degrees (EMJMDs), Capacity Building in Higher Education action (CBHE) projects, and Jean Monnet (JM) activities. The participation of Georgian students and researchers in ICM increased more than sevenfold between 2015 and 2019. Georgian participation in all other programme components also increased substantially. However, the geographical distribution of higher education institutions involved in internationalisation is uneven. A 2020 study showed that 70 percent of the mobility of academic and administrative staff was limited to a total of five universities, all located in Tbilisi.

Georgia joined the Bologna Process in May 2005. “Bologna” significantly changed the Higher Education system in the country while bringing it closer to the European standards. Georgia adopted the European Credit Transfer System (ECTS) which – together with the National Qualifications Framework and programme accreditation – enabled credit standardisation and brought Georgian higher education in line with the standards across the Bologna area (see also EQ 9, in section 4.9).

4.8 EQ8 - Connectivity (energy, transport, environment, climate change)

<p>To what extent has EU support to Georgia contributed to improved Connectivity, (energy, transport, environment and climate change)?</p>	
<p>Summary answer to the EQ</p>	
<p>Connectivity, which consists in most part of infrastructure policy reform and investment, has been examined in three dimensions: energy security and efficiency, transport, and environment and climate change (CC). Three themes run through this EQ answer. The first is that, as infrastructure investment projects by their nature do not return near-term results, much more is known about aspirations, activities, and outputs than about outcomes. The second is that, despite blending, the capital investment needs for infrastructure consistent with shared objectives vastly outstrip EU capacity to provide finance on its own. A third is that awareness and concern over climate and environment is low, which is reflected in government response to problems.</p>	

EU support to Connectivity consists essentially of upgrading ageing energy, water, and transport infrastructure in support of the European Green Deal environmental and CC targets of making the EU the first climate-neutral continent by 2050 and the EU's goal to support the transition to green economy. A related goal, particularly relevant to energy and transport, is integration of Georgia into EU markets.

In energy, Georgia has progressed towards integration of the energy market with EU under the terms of the AA and compliance with Energy Community commitments. EU cooperation has contributed to this through blending, EaP regional programmes, TA through the Energy Community Secretariat, participation in the Covenant of Mayors at municipal level, and the Eastern Europe Energy Efficiency and Environment Partnership (E5P). But, despite a 2014 National Action Plan and subsequent Energy Strategy 2020-2030, Georgia remains heavily reliant on energy imports, has a decayed and neglected energy infrastructure, and despite improvements, still lacks solid and comprehensive regulatory frameworks for energy. Continuing barriers to progress include the limited and immature market for advanced technology, lack of public funding (e.g., for energy efficient rehabilitation of buildings), limited awareness of the benefits of energy efficiency, resulting in low national priority, and limited government capacity to design and implement projects. Private sector and some government interests instinctively oppose the sorts of regulation needed to enforce energy efficiency. A major barrier to progress is that investment needs vastly outstrip resources available despite the leverage of EU blending grants via EFi loans.

In transport, the EU is supporting approximation across all transport modes and helping Georgia to establish itself as a transport hub in accordance with its geographical advantage. EU support to transport Connectivity has included Twinning (aviation and rail sectors) and blending (road transport). Georgia has also received support through regional interventions and is party to a number of EU-sponsored regional arrangements. EU support to the aviation and rail sectors has focussed on legal approximation to the EU acquis and compliance with international norms, which are expected to facilitate international air and rail transport linkages (and national inter-urban connections and services). Georgia has implemented most of the maritime sector commitments referred to in the AA, whilst in the aviation sector, approximation of Georgian Aviation Legislation to EU Standards has continued. In road transport, the major ongoing project is major construction works on the E-60/E-70 East-West Corridor financed by EU, EIB, World Bank (WB) and other IFIs. This investment will have significant impact not only upon international transport linkages but also upon national inter-urban connections, Connectivity and accessibility on the network as a whole, as roads connecting to the improved E-W corridor "spine" have access to better quality transport services. A contradiction is that it will also assuredly increase traffic and hence GHG emissions.

The main components of EU assistance in environment and climate change have been policy dialogue complemented by TA, and blending. In addition to commitments under the AA, Georgia has also made commitments under the Energy Community Treaty to reduce CO₂ emissions and to reduce air pollution, submitting its first Intended National Defined Commitment (INDC) in 2015 in support of its commitment to the Paris Agreement. EU support provided under regional programmes and through the Energy Community Secretariat contributed to preparation of a revised NDC in May 2021, including the Climate Change Strategy and Action Plan to 2030. There has been good alignment of EU-Georgia cooperation with the aims of the Paris Agreement to low GHG emissions, contributing to CC resilience and adaptation.

The additionality of EU blending operations requires closer analysis. If non-public finance is simply unavailable, explanatory factors (e.g. crowding out? commercially unbankable? need for donor signalling?) need to be clearly identified and this was not always the case. The use of the financial leverage ratio as a measure of effectiveness is debatable. The assumption is that the investment would not have been possible without the EU component of funding (usually but not always a grant) sweetening the loan; i.e. additionality is assumed. Leverage ratios of, say 5 or 10 are credible; those approaching 200 are not, because they imply that EU support amount to half a percent of total costs was crucial to the project going ahead. This argument has nothing to do with whether the project is a sound investment, or whether the EU grant represents money wisely spent, it is simply to cast doubt on the use of the leverage ratio as an effectiveness measure.

4.8.1 Enhanced energy security and increased energy efficiency (JC8.1)

EU support is contributing to enhanced energy security and increased energy efficiency leading to CC mitigation by way of improving the legal and regulatory basis for energy markets, energy efficiency, and renewable energy in compliance with Georgia's Energy Community Treaty commitments. It has used multiple modalities (e.g., Twinning, TA, financing infrastructure investments, blending) to support the energy sector policy framework and upgrade the inherited deficient power generation and transmission infrastructures. In more recent years, European partners have put

increased attention on innovative tools such as “policy-based loans” to enhance policy dialogue while introducing new types of conditional linkage to financing. In blending, ENI grant support for sustainable energy development leverages loans provided by EFIs such as KfW, EBRD and EIB. However, despite such support measures, there continue to be national barriers to Energy Efficiency (EE) measures; not only the ageing capital stock, but also ignorance of its benefits and some outright resistance from private sector and government vested interests. Continuing barriers to EE include:

- Unsatisfactory regulatory and legal framework;
- Limited and immature market for advanced EE technology and services with limited value chain for EE technologies, equipment and material;
- Lack of public funding for energy efficient rehabilitation of buildings;
- High investment costs for building renovation and other infrastructure investment;
- Limited understanding and awareness of EE benefits;
- EE not being perceived as a national priority;
- Resistance to regulation;
- Capacity deficit in government institutions to adequately design and implement EE renovations.

Under the terms of the 2014 Association Agreement, Georgia is expected to move towards integration of the national energy market with EU acquis by adopting relevant EU legislation and developing renewable energy sources. In the 2014 National Action Plan and other subsequent Action Plans, Government planned multiple activities to support implementation of Association Agenda commitments, including further integrating Georgia's energy market with that of the EU, reinforcing Georgia's energy infrastructure network and interconnections, and regulatory reform. In October 2019, a more detailed Energy Strategy of Georgia 2020-2030 was approved and in May 2020 new legislation was enacted. These are milestones for Georgia meeting commitments under the DCFTA and as a member of the Energy Community. However, Georgia remains heavily reliant on energy imports, still lacks solid and comprehensive regulatory frameworks for energy, environment and climate protection, and has a decayed and neglected energy (and water supply and wastewater treatment) infrastructure.

Georgia submitted its first Intended National Defined Commitment (INDC) in 2015 in support of its commitment to the Paris Agreement and became a Contracting Party to the Energy Community in July 2017, which obliges Georgia to meet the timetable for implementing the directives listed in the Protocol, with the goal of reducing CO₂ emissions and air pollution.

During the period under review, Georgia has progressed in the legal approximation process and in 2018 adopted its 3rd National Environment Action Programme (2017-2021). Georgia's institutional set up has been enhanced with the creation of the Climate Change Council. Georgia has committed to reform of the electricity market under the Energy Community acquis with implementation of new electricity trading arrangements but this new model implies substantially increased end user tariffs.

At regional level, the EU is also providing considerable support through EaP regional programmes EU4Climate, EU4Energy and EU4Environment, as well as through the Energy Community Secretariat and through interventions channelled through the Neighbourhood Investment Platform in support of the European Green Deal targets. It has also channelled support through the Covenant of Mayors for energy efficiency interventions at municipal level and the Eastern Europe Energy Efficiency and Environment Partnership (E5P).

However, investment needs of energy-related infrastructure are highly capital intensive. Project costs vary between EUR 35 million (hydro-power plant rehabilitation) to EUR 66 million for energy efficiency retrofitting of public buildings and EUR 225 million for extension of the transmission grid. The claimed financial leverage of the EU's grant contribution (ratio of total project value to grant element) for the various energy projects varies between 5 and 22.5.

The additionality of EU blending operations (in all areas, not just energy) requires closer analysis. No significant cases of commercial / private sector finance have been identified - only a few toll roads with pension fund financing and national banks involved in providing loans to SMEs or energy efficiency retro-fitting of buildings (although the national banks are simply on-lending IFI funds). If this indicates that non-public finance is simply unavailable, why is this? One possibility is that there was crowding out by EBRD, EIB, AFD, etc. A second is that the projects financed are not considered to be commercially viable by private financial institution decision makers. A third is that these commercial financiers not been approached with a credible project proposal, in which case the EU grant serves a valuable signalling function.

Also relevant to all areas of blending, not just energy, the use of the financial leverage ratio as a measure of effectiveness is debatable. The assumption is that the investment would not have been possible without the EU component of funding (usually but not always a grant) to sweeten the loan. In other

words, leverage is a credible effectiveness measure only if additionality is assumed. This can be debated. A project, whether strategically / socially beneficial or not, may only be financially/economically viable if the loan component does not exceed a value that is serviceable by tolls, revenues or other means such as subsidies. EU grants could make this feasible. Leverage ratios of, say 5 or 10 are credible, because they imply that 20 percent or 10 percent, respectively, of total capital costs of the project must be “free money” if the project is to go ahead. But it is not credible to claim that, when leverage ratios approach 200 (as claimed for EU support to TA to develop the East-West Highway loan from the EIB and other IFIs), EU support amount to half a percent of total costs was crucial to the project going ahead. This argument has nothing to do with whether the project is a sound investment, or whether the EU grant represents money wisely spent, it is simply to cast doubt on the use of the leverage ratio as an effectiveness measure.

EU additionality in the form of social responsibility, and programme scale, timing, quality, standards, innovation, sustainability and environmental quality have also been suggested to be a form of leverage.

4.8.2 Improved transport Connectivity (JC8.2)

EU support is contributing to improved international and national transport Connectivity indirectly by approximation of Georgian sector legislation to the EU acquis and directly by financing infrastructure investment through the 2014 AA and aligned National Action Plans, which cover all transport modes. In July 2018, Georgia signed the High-Level Understanding on the Extension of the EU's Trans-European Transport Network (TEN-T) to Eastern partners. The Indicative TEN-T Investment Action Plan, which identifies 18 priority projects for Georgia, has also guided government policies in this sector. Georgia has implemented most of the maritime sector commitments referred to in the AA, endorsing at Ministerial level the Common Maritime Agenda for the Black Sea in May 2019, whilst in the aviation sector, approximation of Georgian Aviation Legislation to EU Standards has continued.

EU support to transport Connectivity has been provided under different modalities. The approximation of aviation legislation to the standards of the EU was supported by an EU twinning, and other twinning projects have supported the rail sector. EU support to the aviation and rail sectors through twinning has focussed on legal approximation to the EU acquis and compliance with international norms for these sectors, which are expected to facilitate international air and rail transport linkages (and national inter-urban connections and services).

Blending mechanisms and TA have been used to support the road transport sector. Georgia has also received support through regional interventions in the transport sector and is party to a number of EU-sponsored regional arrangements. Improved international (and national) linkages are a main objective of the major construction works on the E-60/E-70 East-West Corridor financed by EU, EIB, WB and other IFIs. These improvements are expected to contribute significantly to Georgia's aim to be a regional transport and transit hub for the East-West (Black Sea – Caspian Sea) and North-South (Russia – Turkey (now Türkiye)) transport routes. This investment is expected to have a significant impact not only on international transport linkages but also upon national inter-urban connections, Connectivity and accessibility on the network as a whole, as roads connecting to the improved E-W corridor “spine” have access to better quality transport services (albeit that increased heavy traffic will lead to increased exhaust emissions). There is no involvement of the private sector in financing these road sector projects.

Investment needs in road transport infrastructure, like those in the energy sector described above, are highly capital intensive and blending has been used to leverage ENI grant support. The project costs detailed in the EU-EIB Delegation Agreement total EUR 1.137 million (EIB - EUR 500 million; other IFIs - EUR 631 million; EU grant element - EUR 5.9 million). The claimed leverage ratio as set out in Delegation Agreement Description of the Action is 192.7.

A central aspect of Connectivity is developing international linkages that will take advantage of Georgia's strategically advantaged geographic position. Looked at on a project-by-project basis, though, most support in the area has been focused on Georgia itself (e.g. wastewater, energy self-sufficiency, and air quality projects).

4.8.3 Strengthened environmental governance and actions (JC8.3)

(To some extent CC issues are subsumed in considerations of environmental issues detailed under JC 8.3 and, there is some potential overlap between JC 8.3 and JC 8.4). **As above, EU support contributed to creating an improved legal and policy framework for management of the environment as well as to development and implementation of investment projects to upgrade infrastructure in the areas of water supply and wastewater treatment.** Bilateral assistance on environmental governance has been higher in volume than for climate change issues.

The main components of EU assistance have been policy dialogue and budget support accompanied by projects, including blending of grants and loans and a growing recourse to indirect management with

development agencies. However, about 90 percent of EU assistance is still channelled through direct management mode. Despite delays, the expected level of scheduled resources the projects will be able to use before the end of the project is currently within benchmarks.

The revised AA agenda and the aligned National Action Plans contain several commitments in the area of environment and climate change, including the full implementation of the National Environment Action Plan 2012-2016. During the period under review, Georgia has progressed in the legal approximation process and adopted its 3rd National Environment Action Programme (2017-2021).

Georgia's Environmental Assessment Code came into force in 2018 including secondary legislation relating to implementation of the code (including Environmental Impact Assessments -EIA-). However, there is a lack of awareness of the requirements of the code and low capacities (and understanding) of local institutions, CSOs and the general public. This has resulted in EIAs not being consistently undertaken for planned infrastructure projects and has also resulted in limited public participation in environmental decision making.

Water supply, sanitation and wastewater management remain challenges, with issues of low water quality and water cuts continuing to affect access to and supply of potable water. However, as in the areas examined above, investment needs of water and sanitation infrastructure are highly capital intensive (project costs vary between EUR 37 million for a typical hazardous waste treatment project to EUR 87 million for water supply and sanitation projects. The claimed leverage ratio as set out in Descriptions of the Action for the various water and sanitation projects varies between 4.5 and 9. Other than financial leverage, added value and impact of EU interventions is claimed in project documentation without being further articulated, although it is expected that communication activities will highlight such added value to relevant target audiences.


4.8.4 Increased actions combatting climate change (JC8.4)

(To some extent CC issues are subsumed in considerations of environmental issues detailed under JC 8.3 above and, there is some potential overlap between JC 8.3 and JC 8.4.)

There is good alignment of EU-Georgia cooperation with the aims of the Paris Agreement on Climate Change and the European Green Deal which, in practice underpin EU support to combatting CC (although Georgia is yet to adopt some measures it committed to under the Agreement). The development of the policy and legal framework for the environment and climate action, including preparation and enactment of Laws on Energy Efficiency and Energy Performance of Buildings, accelerated following the signing of the Association Agreement and accession to the Energy Community Treaty in 2017. Georgia has also made commitments under the Energy Community Treaty to reduce CO2 emissions and to reduce air pollution, submitting its first Intended National Defined Commitment (INDC) in 2015 in support of its commitment to the Paris Agreement. Consistent strategies and priorities for action have been set out in some GoG national policies and strategies (e.g., 4 Point Action Plan) and EaP priorities set out in "20 Deliverables for 2020" following a Joint Programming exercise. Georgia also continues to participate in EU regional programmes (EU4Environment, EU4Climate and EU3CC). With the support of the Energy Community Secretariat, Georgia has prepared a revised NDC in May 2021, including the Climate Change Strategy and Action Plan to 2030.

Lack of awareness of environmental and CC issues is endemic in Georgia and awareness raising is a feature of EU sector support. In part to address this, EU has provided support to social engagement through civil society, such as the Georgia Climate Action Project (GEO-CAP) and the Climate Forum East.

4.9 EQ9 – Mobility and people-to-people contacts

<p>To what extent has EU support to Georgia, including Erasmus+ contributed to increasing mobility and people-to-people contacts and to improving education?</p>	
<p>Summary answer to the EQ</p>	
<p><u>Higher education, research, and culture</u></p> <p>Georgia's integration into the main EU programmes for academic mobilities and research collaboration has made a strong contribution towards bringing the country closer to the EU. Georgia is a partner country of the Erasmus+ programme and has successfully participated in all programme components; i.e., International credit mobility (ICM), Erasmus Mundus Joint Master Degrees (EMJMDs), Capacity Building in Higher Education action (CBHE) projects, and Jean Monnet (JM) activities. Georgian universities have established mobility partnerships with more than 250 universities in Europe. Overall, in terms of Erasmus+ participation Georgia is a Top 10 partner</p>	

country. Out of 57 Georgian Higher Education Institutions (HEI) 39 had been included in the Erasmus+ mobility program. This number has increased greatly in recent years and the geographic area has expanded. However, while 80 percent of all HEIs participated in mobility programmes, 70 percent of the mobility of students and academic was limited to a total of five universities, all located in Tbilisi.

Students with European experiences are reportedly finding employment more easily. Unlike in the case of many other partner countries, mobilities are not mainly a one-way street to Europe but go both ways. The attractiveness of Georgia as a destination for European students and academics is at least partly due to the absence of visa requirements, bureaucratic hurdles and other restrictions as well as the liberal and autonomous nature of the Higher Education (HE) system.

In 2016 Georgia was associated to the Horizon 2020 (H2020) programme²⁶, enjoying full participation rights equal to those of EU member states. H2020 was the EU's key funding programme for research and innovation. The association agreement is also important in the wider political context as the Georgian Government perceived it – realistically or not - as a stepping stone towards EU membership Georgian organisations participated in 65 H2000 projects and signed 58 grant agreements. This made Georgia the best performing country in the Caucasus region and the third best in the EaP– behind Ukraine and Moldova.

In January 2015 Georgia became the first Neighbourhood country to join the Creative Europe Programme, which is not a research-focussed initiative but supports cultural cooperation and networks. Georgia joined the Bologna Process in May 2005, bringing it closer to the European standards. Georgia adopted the European Credit Transfer System (ECTS) which – together with the National Qualifications Framework and programme accreditation – enabled credit standardisation and brought Georgian higher education in line with the standards across the Bologna area. However, the reform process is not completed and Accreditation and Quality Assurance are still characterised by inconsistencies.

Visa liberalisation and Mobility Partnership

Georgia has benefitted from short-term visa-free travel since March 2017, resulting in strong increase in the numbers of Georgian citizens travelling to the Schengen area. Periodic review of the Visa Suspension Mechanism adopted on 10 July 2020 confirmed that visa liberalisation benchmarks continue to be fulfilled and that, when there was a spike in irregular asylum applications in EU MS (especially Germany), Georgian authorities instituted actions to address the problem and to increase operational cooperation with affected MS. European tourism to Georgia, largely eco- in nature, has become a major source of foreign exchange. Prior to COVID-19, Georgia became the EaP country most visited by tourists from the EU, far surpassing the rest; In fact the EU MFA response to COVID-19 was largely to address the fiscal and balance-of-payments impact of the crisis.

While there had been some positive impacts of the EU-Georgia Mobility Partnership, the one impact of paramount interest to Georgian stakeholders – opportunities for legal, circular migration to Europe – had not materialised. However, progress was made in implementing the 2016-2020 Migration Strategy and its Action Plan, which includes the fight against irregular immigration. Georgian authorities have collaborated with Frontex to reduce criminal border crossings and with DG HOME to address Georgian criminality in the EU. A disappointment for the EU has been the absence of Georgian interest in possibilities opened by the Mobility Partnership Facility.

4.9.1 Closer education, research, and cultural ties (JC9.1)

Georgia is a partner country of the Erasmus+ programme and has participated in all programme components; i.e., International credit mobility (ICM), Erasmus Mundus Joint Master Degrees (EMJMDs), Capacity Building in Higher Education action (CBHE) projects, and Jean Monnet (JM) activities. The participation of Georgian students and researchers in ICM increased more than sevenfold between 2015 and 2019. During this period a total of 4757 students and staff moved from Georgia to Europe, while 2724 students and staff moved from Europe to Georgia. The national Erasmus+ office reported that around 63 percent of the students who participated in mobilities were female. According to the same source, students with European experiences find jobs more easily and are often already recruited while still studying. In big cities, having a European HE background is already standard. Consequently, there is strong competition for mobilities, with around 25 applications for each scholarship. As one interlocutor put it, *“we don't need to promote Europe and convince students and universities. Europe is highly attractive.”*

Unlike in the case of many other partner countries, mobilities are not mainly a one-way street to Europe but go both ways. According to interviews, the attractiveness of Georgia as a destination for European

²⁶ Since 7 December 2021 Georgia is associated to Horizon Europe, the successor Programme of Horizon 2020.

students and academics is at least partly due to the absence of visa requirements, bureaucratic hurdles and other restrictions, as well as the liberal and autonomous nature of the HE system. Georgian universities have established mobility partnerships with more than 250 universities from all programme countries. Out of 57 authorised Georgian Higher Education Institutions (HEI) (some, however, are very small with just a few dozen students), as of 2020 39 had been included in the Erasmus+ mobility program (50 percent were public, 50 percent were private HEIs). This number has increased greatly in recent years and the geographic area has expanded. However, while 80 percent of all HEIs participated in mobility programmes, 70 percent of the mobility of students and academic was limited to a total of five universities. All five are located in Tbilisi.

Participation in Erasmus+ is considered an important selling point for HEI to attract also more non-European international students as it opens a window of opportunity for, for example, Iranian and Indian students to spend a part of their studies in Europe. 10 percent of the Georgian student body is international, and among this group 80 percent are medical students, mostly from India. The GoG has high expectations to move up the Erasmus+ ladder to become a “third country associated to the Programme” (like, for example, Serbia, Norway or Turkey (now Türkiye)). A request to the EU for a feasibility study was granted and a call for bids will be launched in second quarter of 2022.

Georgian participation in other programme components also increased markedly. The number of selected EMJMD projects involving Georgian universities (in different capacities) increased from 0 in 2014 to 5 in 2019, totalling 21 during this period. Applications for CBHE projects with a participation from Georgia increased from 42 to 50. Of the total of 272 proposals, 30 were successful. JM applications from Georgia went up from 2 to 19, totalling 59 of which 13 were selected. Overall, in terms of participation Georgia is a Top 10 partner country.

As far research collaboration is concerned, Georgia already participated in the Framework Programme 7 (FP7) and has been associated to Horizon 2020 since 2016. The association agreement gave the country full participation rights which equal those of EU Member States. This is also important in the wider political context as, according to interviews, the Georgian Government perceived H2020 association – realistically or not - as a stepping stone towards EU membership

Georgian organisations participated in 65 H2000 projects and signed 58 grant agreements. Most partner organisations were located in Germany (101), followed by Italy (96), Spain (74) and the UK (73). However, only three projects were coordinated by HEIs from Georgia. Georgian HEIs receiving EUR 8.71 million of direct EU contributions under Horizon 2020. The total received under FP7 was EUR 5.9 million, indicating a substantial increase from FP7 to H2020. In H2020 Georgia was the best performing country in the Caucasus region and the third best performing country in the EaP– behind Ukraine and Moldova. H2020 grants were shared among 35 Georgian HEIs and research institutions but the lion’s share of EUR 1.79 million (20.6 percent) was awarded to the National Centre of Tuberculosis and Lung Diseases (NCTLD), a non-profit organisation founded in 2001. This, however, should not be seen in a negative light as it is a common and useful strategy of research funding across the globe to promote research excellence though focussing on HEI and research institutions that already perform very well.

At the same time, it is important that organisations outside the top tier get their opportunities too. To this effect, Government has started a priority-setting process under the guidance of the European Commission’s Joint Research Centre (JRC). Furthermore, research-business collaboration has been stimulated with a new call for collaborative research projects, which has been implemented in 2020 by the Shota Rustaveli National Science Foundation of Georgia (SRNSFG), and financed via the World Bank. A new Horizon Europe (the successor programme of H2020) office opened in November 2021 and the opening of planned regional HE offices in different universities in Georgia is planned. Two already exist. The purpose of these offices is, inter alia, to help in the preparation of project proposals. Last but not least, public R&I spending has increased significantly in recent years, although starting from a very low level; and two national funding agencies for research and innovation were established: the SRNSFG and the Georgian Innovation and Technology Agency (GITA).

Georgia requested advice under the H2020 Policy Support Facility (PSF) from DG RTD with the objective of receiving tailored recommendations on reforms necessary to improve and strengthen their research and innovation system. The 2018 report put forward the “Strengthen 4C for Georgia”, i.e. the strengthening of cooperation, concentration, collaboration and coherence. According to interviews, the report became a key input to the national higher education strategy. The GoG has made good progress in following up on the recommendations but challenges remained, such as a weak link between teaching and research.

In 2019, Georgia also joined EURAXESS, a unique pan-European initiative backed by the EU, member states and associated countries offering information and personalised support services, to researchers, innovators, research organisations/universities and businesses.

In January 2015 Georgia became the first Neighbourhood country to join the Creative Europe Programme, which is not a research-focussed initiative but supports cultural cooperation and networks. The EU has so far allocated EUR 1.5 million for the support of projects in Georgia.

Georgia joined the Bologna Process in May 2005. “Bologna” significantly changed the Higher Education system in the country while bringing it closer to the European standards. Georgia adopted the European Credit Transfer System (ECTS) which – together with the National Qualifications Framework and programme accreditation – enabled credit standardisation and brought Georgian higher education in line with the standards across the Bologna area. However, the reform process is not completed and Accreditation and Quality Assurance are still characterised by inconsistencies (see also JC 7.3 in section 4.7.3 for evidence).

As a further contribution to Georgia’s integration in the European integration system, an “Eastern Partnership European School and Scholarship Programme” as part of the “Youth Package for the Eastern Partners”. A pilot was launched in 2018 and the first cohort of 30 students graduated in June 2020. The Ministry sees the European school as a role model for Georgia and consider replicating it in the national education system.

In 2019 the EC’s Joint Research Centre conducted a diagnostic and benchmarking study of the technology transfer ecosystems of the EU’s neighbourhood, including Georgia. This study identifies strengths and weaknesses of the ecosystem and provides recommendations for the country. Its ultimate objective is to inform policy-making in technology transfer, to support the commercialisation of research results.

4.9.2 Results of visa liberalisation and the Mobility Partnership (JC9.2)

Georgia has benefitted from short-term visa-free travel since March 2017. Since then, numbers of Georgian citizens travelling to the Schengen area have increased reaching a total of over 1 150 000 visits since its entry into force. Sustained implementation of the Visa Liberalisation Benchmarks remains an obligation for Georgia and it is in this context that a fully-fledged monitoring system of passengers travelling to the Schengen Area was established and information campaigns on the rules of visa-free travel have been regularly conducted. Problems developed with a spike in unfounded asylum claims and overstay (especially in Germany). Georgia instituted actions to address the problem and to increase operational cooperation with affected Member States. The Third Report of the Visa Suspension Mechanism reported that in 2020 Georgia’s cooperation on readmission and return was functioning well deemed efficient by the EU Member States. The vast majority of readmission requests filed in 2019 was approved by the Georgian authorities. Progress was made in implementing the 2016-2020 Migration Strategy and its Action Plan, which includes the fights against irregular immigration.

There has been an increase over time in the number of European tourists visiting Georgia. If we take the average monthly visits in 2015 (before visa liberalisation) and compare them to 2019, these have more than doubled. In the EaP region, Georgia has been the most visited country by tourists from the EU, far surpassing the rest. Tourism became a major source of foreign exchange; indeed the MFA instituted in response to COVID-19 was largely to combat the fiscal and balance of payments effect of the plunge in tourist revenues. There are no official data to track the evolution of tourism flows from Georgia to Europe. Tourism was perhaps the sector most affected by COVID-19, and emergency EU MFA assistance was in large part to compensate for the loss in foreign exchange revenues.

Georgian authorities have collaborated with Frontex to reduce criminal border crossings. The Criminal Code was revised in April 2019 to introduce criminal responsibility and punishment for those facilitating/organising irregular migration of Georgian citizens, i.e. migrant smugglers. While there is cooperation with DG HOME to address Georgian organised crime in the EU, no information specific to trafficking in human beings has been found. However, there has been considerable progress on the control of irregular migration in general.

The EU-Georgia Migration Partnership focused on visa liberalization and creating legal migration channels to the EU, particularly mutually beneficial circular migration. Coming in 2009 on the heels of the war between Russia and Georgia, it was a strong affirmation of EU-Georgian solidarity. At the same time, as pointed out in the 2018 Georgia case study of an EU-financed independent evaluation of Mobility Partnerships, there was never total clarity between EU Brussels, the EUD, the MS, and the Georgian government on precisely what the MP was and precisely what it covered. While there had been some positive impacts, notably in the strengthening of migration policy (e.g., the 2016-2020 national Migration Strategy), in the fight against irregular migration, and in protection, the one impact of paramount interest to Georgian stakeholders – opportunities for legal, circular migration to Europe – had not materialised. This assessment largely agrees with the views expressed in the recent EU thematic evaluation on external support in the area of migration (while Georgia was not a case study country in

that evaluation). A disappointment for the EU has been that there have been very few applications from Georgia for support under the Migration Partnership Facility.

5 Conclusions

For analytical clarity, the conclusions are grouped into two clusters as summarised in Table 1 below.

Table 1 Overview of the conclusions

Cluster	Conclusion related to...	Main related EQs	Evaluation Criteria
Transversal and strategic dimensions	C.1 Appropriateness of strategic and institutional framework	EQs 1 and 2	<i>Relevance, Coherence</i>
	C.2 Fitness for purpose of means employed (financing and non-financing actions)	All EQs	<i>Effectiveness</i>
	C.3 Efficiency, learning, and visibility	EQs 2-9	<i>Efficiency, EU value added</i>
Sectoral dimensions	C.4 Sector achievements and constraints	EQs 4-9	<i>Effectiveness, Sustainability</i>
	C.5 Mainstreaming cross-cutting issues	EQs 4-9	<i>Relevance, Coherence</i>
	C.6 Trust in democracy, public institutions, civil society, and Europe	EQ 5	<i>Effectiveness, EU value added</i>

5.1 Cluster 1: Transversal and strategic dimensions

5.1.1 Conclusion 1: Appropriateness of strategic and institutional framework

EU's cooperation with Georgia has been strategically sound and benefited in design and implementation from a strong institutional setup.

This conclusion is based mainly on EQs 1 and 2

The EU cooperation programme in Georgia performed well on the criteria of relevance, coherence with broad EU strategic policies and priorities, and internal consistency. The EU cooperation strategy, which is well anchored in the Association Agreement and the DCFTA, was coherent with the EU Global Strategy, the European Neighbourhood Policy, the Eastern Neighbourhood regional policy and, more recently, the European Green Deal. EU cooperation with Georgia through financing actions and dialogue has responded strongly to both country needs and EU political, strategic, and economic interests. The choice of priority areas was grounded in sound analysis of needs and opportunities. Civil society, as well as the private sector (essentially SMEs), was adequately represented in the prioritisation process. While some potential internal inconsistencies have been noted (e.g., mobility and brain drain; highway investment and climate change), these have been minor and involve choices of balance, not either-or ones.

The institutional framework was conducive to EU cooperation, with an adequately staffed EUD, relatively (vis à vis other countries in the Eastern Neighbourhood) strong national government structures, similarly strong civil society, and good local representation of international agencies.

The cooperation programme has been comprehensive, growing in scope over the evaluation period, and sustained. An important element of success has been long involvement in some sectors (e.g., agriculture and rural development and RoL including democracy and human rights). At the same time, and as illustrated by the experience of ENPARD, long involvement in a sector can give rise to beneficiary fatigue. In the case of ENPARD, the initial increase in public funds to the sector via the line ministry has not been maintained and initial dynamism has faded. The EU broadened its engagement by adding budget support programmes in regional development and integrated territorial development, both more complex and challenging than the original ENPARD series of programmes, but building on ENPARD achievements. Thus, the current strategy on rural development is now a multi-dimensional one.

The EU has responded well to emerging national priorities. For example, the EU front-loaded the first payments under ENPARD IV in the context of the COVID-19 crisis. Team Europe also responded to COVID-19, including with the participation of emergency finance by EFIs. MFA was also mobilised, although the second half of the MFA response to the crisis was not requested by Government. Further evidence of adaptability was the EU's ability to commence major programmes in economic

development (SMEs, VET, and support to the DCFTA) and, particularly in line with the European Green Deal, Connectivity through blending.

5.1.2 Conclusion 2: Fitness for purpose of means employed (financing and non-financing actions)

The EU has strategically deployed the wide range of instruments, modalities, funding channels and, more generally approaches, that were available to support its cooperation with Georgia.

This conclusion is based on all EQs.

Policy and political dialogue at all levels has strengthened the cooperation programme, and vice-versa. Dialogue was effective even in the difficult RoL sector including democracy and human rights, where it served as a safety valve allowing continued EU support and engagement even when some important trends were not consistent with the AA.

Budget Support and complementary assistance (TA, capacity building, Twinning, grants) have been effective and contributed to maintain an efficient programming and implementation process, including through policy dialogue to keep programmes on track. However, the reservation noted in Conclusion 1 applies – the effectiveness of BS depends on the phase and the specific sector elements being supported. The results-based mechanism is generally understood, and especially within the Ministry of Finance, where the same personnel in the Budget Department have been overseeing several BS programmes. This was beneficial to the EU in extending its support to sub-national level. However, sub-national approaches are adding complexity in the short term because they involve multiple actors and central ones are not accustomed to sharing responsibility with decentralised authorities.

The provision of BS has been accompanied by Technical Assistance (TA) that has been useful to support dialogue and keep on track the implementation of the targeted sector reforms. However, as pointed out under Conclusion 1, some TA support has proven self-perpetuating. There has been good complementarity between BS and support following the project approach, which mainly consisted in regional support or support delivered through NGOs under thematic programmes.

The regional dimension of shared EU-Georgia strategic interests has been reflected in the combination of regional and bilateral programmes. At the same time, a need was identified to contextualise Georgia in a region broader than the Eastern Neighbourhood; e.g., take into account that ties with the Southern Caucasus are stronger than with the neighbours to the north and to consider ties also with countries such as Turkey (now Türkiye) and Iran. Connectivity support has the potential to strategically address regional issues which exploit Georgia's geographic advantage; e.g., maritime and aviation ones and, especially, the East-West highway project. However, the regional dimension of Connectivity investment projects to date has been limited, and most address strictly Georgian concerns. Connectivity can strongly promote the shared Georgia-EU interest in increasingly close economic ties, yet doubts are expressed under Conclusion 4 as to whether this potential is being effectively integrated into the investment project portfolio.

Blending has contributed to addressing some infrastructure needs under the AA and, more recently, the European Green Deal, although, given the deteriorated state of much national infrastructure, needs vastly exceed funding available for necessary rehabilitation. Delays have been common due to project preparation difficulties as well as the nature of the construction process. Blending has allowed a certain amount of policy dialogue in guiding investment priorities and decisions; however, there is no consensus as to the potential effectiveness of sector-level policy dialogue with conditional linkage to infrastructure project financing. A close examination of the concepts of additionality and leverage as applied by the EU to assess the effectiveness of blending reveals some technical issues which deserve examination, in particular, whether sometimes very high leverage measured as a total loan-to-grant ratio is really a credible indicator of EU additionality.

MFA provided emergency support at the broadest fiscal and balance-of-payments level, particularly important when revenues from tourism, a strongly developing sector, plummeted when COVID-19 hit. The Resilience Facility was able to arrange for emergency assistance at short notice in the form of EBRD loans to SMEs, emergency grants to especially vulnerable populations, and in-kind donations of needed medical equipment. The EU, through COVAX and Team Europe, provided vaccines. MFA also able to use the experience of conditionality from Budget Support by making part of the assistance conditional on results. Valuable experience was provided through the use of Twinning; e.g., support to the State Procurement Agency. Disappointingly, however, Government chose not to take advantage of the second half of the MFA offered, limiting the results the EU was able to achieve.

5.1.3 Conclusion 3: Efficiency, learning, and visibility

EU approaches have been well chosen from efficiency and learning points of view. While visibility has been an issue, the EUD has taken steps to improve it.

This conclusion is based mainly on EQs 2-9

Modalities and channels were well chosen from an efficiency point of view. Budget Support disbursement was by and large smooth in PAR, PFM, and agriculture and rural / regional development. Following an initial fixed tranche, PAR also included three subsequent instalments, all of which included both fixed and variable tranches. As ENPARD passed through its phases, specific conditions became more demanding, affecting the timing of actual versus planned disbursements and the disbursement rates. In business development (i.e., SMEs), some stakeholders expressed the view that BS deadlines negotiated between the EU and sector officials were unrealistic, leading to delays. There were also disbursement delays in justice sector BS in 2016-2017. However, the most serious implementation delays were not in BS, but in Blending and arose due to the intrinsically delay-prone process of project preparation and the knock-on effect of delays at any point early in the project cycle (e.g., at the point of consultation and dialogue with potentially affected beneficiary populations).

The availability of data for strategic analysis, programming, monitoring, outcome assessment, and learning has been mixed. While there have been 2012 and 2017 censuses and GEOSTAT implements one-off surveys (with donor support) and publishes, e.g., an agricultural yearbook, there are no up-to-date household income and expenditure surveys or labour force surveys. While disaggregation by age and sex has become increasingly common (e.g., in SMEs and VET), it remains variable; as does disaggregation, where relevant, by ethnicity. Informatisation of the justice sector, which might serve as a basis for identifying and addressing weak points in the court system and penal chain, has been generally disappointing in Georgia (as it has in other countries in the Neighbourhood and Enlargement regions). The situation is better for outcome data related to the DCFTA, SME, and VET.

Cooperation has added value for the EU by strengthening political dialogue and engagement (and vice versa; political dialogue has strengthened the cooperation programme). The value added of EU cooperation is especially strong from the Georgian point of view because of the unique position the EU occupies via the Association Agreement and the DCFTA and its application, unique among donor partners, of the budget support modality.

The EU has heavily relied on international agencies for implementation, raising issues of visibility, which have been addressed by the promulgation of guidelines. In addition, the EUD is reported to have gradually demanded more from implementing agencies regarding the documentation of success stories and good practice examples and their dissemination via publicity material. Visibility is also an issue in the blending modality, where projects tend to be identified more with the lending EFI, not the EU. In fact, the EU is at third remove – it relies on the EFI for implementation, which in turn largely works through national banks. A challenge is developing common monitoring and assessment procedures that reflect both the cooperation and banking perspectives so overall progress, including beneficiary buy-in and social impact, and not just progress along the main investment (e.g. construction) critical path, can be documented and made visible. The Team Europe concept, recently introduced, and most prominent in the COVID-19 response, has potential to boost visibility, especially since the EFIs participate in this new approach and blending plays a large and growing role in cooperation.

5.2 Cluster 2: Sectoral dimensions

5.2.1 Conclusion 4: Sector achievements and constraints

There have been results at outcome level in all sectors examined, however there are weak points. Implementation lags everywhere behind legislative reform, sometimes seriously, as in anti-discrimination. Blending is particularly affected by delays, sometime unavoidable given the project preparation and implementation (e.g. construction) processes, but nonetheless far too common to allow identification of outcomes (or even outputs). Sector details are given below.

This conclusion is based mainly on EQs 4-9

In every sector examined there has been policy progress; i.e., progress in reforming legislative and regulatory frameworks in line with the Association Agreement and the DCFTA. The EU contributed to the formulation of fundamental reform strategies in areas such as agriculture, regional development and RoL. At the same time, there is the risk of backsliding and roll-backs in successful areas – in

RoL, for example, abolition of the State Inspector's Service at the end of 2021. Other reforms, such as adoption of the National Human Rights Strategy, are stalled. Implementation of policy reforms has proceeded adequately in non-controversial areas such as agriculture and regional development, SMEs, VET, etc. When encountered there, constraints to implementation have had to do with limited capacity. In other, more controversial, areas, legal and policy reform has not been followed up by implementation. Independence of the judiciary has proven almost impossible to pursue, the basic constraints being judicial culture and weak political will to take on powerful interests in the judiciary. However, there has been real progress in implementing child-friendly justice, and positive trends can be discerned in areas of private law (e.g., insolvency, introduction of Alternative Dispute Resolution). In gender and anti-discrimination, constraints are traditional values and opposition from nationalist-leaning groups and institutions.

Some sustained TA interventions, such as those concerning juvenile justice, commercial and private law, and SME reform, have been extremely successful. At the same time, as also noted under Conclusions 1 and 2, some TA support has gone on for years (e.g. under ENPARD and budget support for justice reform), with consequent danger that it becomes self-perpetuating. Some experts and teams have been working on the same issue, with the same counterparts, for years without progressing beyond incremental, output-level change. Capacity has been built at all levels, from municipal and local up to national, with the main limitations being high turnover of staff, either because of rotation or attrition. However, there has also been loss of capacity because of partner unwillingness or inability to maintain it. In cases such as business development, TA tightly focused on critical points in the value chain would, with hindsight, have been more effective than the broad capacity building that was provided. From a sustainability point of view, the question also arises to what extent capacity building is more concerned with absorbing and managing large quantities of EU support for results, rather than sustaining progress (using those results as a foundation) once donor support ends. There is also the problem of government changes and the subsequent impact on commitment, both to sector reform and support agreed earlier – by a previous government – and thus to budget allocations and perceived usefulness of TA

The EU has consistently supported civil society, with long-term relationships with leading Tbilisi-based NGOs being complemented by partnerships developed with smaller, regional ones. Complementary Support, as part of budget support, has been particularly successful in involving both international and local NGOs and CSOs. Evidence on the mix of CSO support varies, with some persons interviewed perceiving a tendency to shift civil society support from groups carrying out the watchdog function to groups providing services and others stating that this tendency, if present, just reflects global trends in support to civil society. If the latter is the case, there is some risk of crowding out; for example, in COVID, CSO services providers took over some functions that would normally be the responsibility of the state (a trend that actually pre-dates COVID).

Under all sector-level EQs, signs of outcome-level progress were found, albeit not necessarily in each segment or area of the broad sector. Data to document progress are adequate in RoL (save for data on performance of the court system), the DCFTA and economic development incl. SMEs and VET, PAR/PFM (in the form of international assessments / performance indices), and People-to-People / Mobility. They are less so in agriculture / rural development, where the lack of household and labour force survey disaggregated data is a problem.

Conclusion 4a. Agriculture and rural development

In agriculture and rural development, output and productivity results were disappointing and it is difficult, due to data weaknesses, to ascertain income and labour force impacts of EU support. Much early EU support was concentrated on cooperatives, but these represent only a small slice of Georgian farming, which remains overwhelmingly household in nature and subsistence in level. There has possibly been slight shrinkage in urban-rural gaps (not just income, but access to services and infrastructure, employment opportunities, etc.), but the data are not very strong. Some improvements in rural road access are reported, but many households remain unconnected to rural water systems and access to education still lags behind. The state of the labour market can be judged from the fact that a significant number of rural applicants attempted to travel to Europe as seasonal agricultural laborers under the Mobility Partnership. At the same time, EU support has led to significant progress in SPS, of importance to stimulating Georgian agricultural exports to Europe and other markets, and in food standards, an important concern of Georgian households.

Conclusion 4b. PAR and PFM

International assessments (e.g., PEFA, IMF review) and credible indices (Ease of Doing Business, Open Budget Index, the Transparency International Perceived Corruption Index) confirm outcome-level progress in PAR and PFM, although criticising a lack of public surveillance of and participation in both policy making and budgeting. E-procurement has been introduced by the State Procurement

Agency for all public and private procurement to increase accountability and transparency. Support has been extended to sub-national PAR and PFM through the EU4EGFA, Regional Development II, and especially EU4ITD budget support programmes. However, capacity at many public agencies remains low. Unfortunately, as also discussed under Conclusion 6, opinion survey respondents express low (and diminishing) faith in public institutions. This suggests that public administration, as experienced by the ordinary citizen in daily life, continues to be deficient and, where there has been progress, Government claims of progress have not been credibly received.

Conclusion 4c. Justice and RoL incl. human rights and democracy

In the justice sector and RoL incl. human rights and democracy, there have been significant improvements at outcome level in areas where common ground has been established – juvenile (child-friendly) justice, ill-treatment of prisoners, GBV, and legal aid and access to justice. There has been some progress in areas which have been more recently addressed, such as private and commercial law and Alternative Dispute Resolution. Informatisation of the court system, as mentioned above, has been a disappointment even at output level, and the data that would be necessary to assess outcomes are not available. There has been no progress on establishing independence of judiciary. While adoption of the anti-discrimination law was an enormous success for EU cooperation and especially policy and political dialogue, there has been little progress on actual implementation of anti-discrimination reforms.

EU has been one of the strongest supporters of democracy and human rights across the board, including elections and media. It has been particularly effective through its support for the Public Defender's Office, which is now a trusted and capable institution thanks to EU capacity building, albeit one whose findings are often ignored by Government. Of great concern, there has been significant backsliding on commitments to democracy and human rights, with government becoming less interested in compromise and bridge-building and relations with civil society becoming increasingly adversarial. As an example of the poor state of relations, Government now openly refers to critical NGOs as "the opposition." Growing government intolerance of criticism, abolition of the State Inspection Service, failure to adopt the new Human Rights Strategy, failure to reform judicial governance, and other trends are worrisome.

Conclusion 4d. SMEs, VET, DCFTA

In the area of SMEs and VET, there was good progress on policy and institutional framework, curriculum development incl. life-long learning, skills matching, and engaging the private sector. Despite VET improvements, the actual number of persons enrolled has failed to increase, in part because of the unfavourable demographic situation, which includes not only population ageing due to past low fertility, failure to attract talented youth applicants and low career prospects following completion.. It is also apparent that EU support for SME development and VET essentially ran on two separate tracks, making it difficult to take advantage of the opportunity for synergy between the two. A structural problem is that SMEs offer very low wages for the skills being developed through VET. Another is the need to mobilise idle human capital in the form of discouraged workers who have left the labour force because the skills they have developed through experience or training are not in demand. While there is no shortage of credit potentially available to SMEs in Georgia, collateral requirements for borrowers are high and there is no public programme of export guarantees or credits. Entrepreneurs' lack of financial literacy, i.e. the ability to design and present a bankable proposal, is also reported to make access to credit difficult. In DCFTA, there has been good progress on approximation and credible growth in the volume of Georgian exports to Europe and other international markets incl. China. But, with the exception of niche products (e.g. hazelnuts and honey), whose markets are chiefly regional, the export basket still consists largely of low value-added products. There is no evidence that Georgia's comparative advantage has been changed much or that exporters have moved up the value chain as a result of EU support, indicating a need for TA expertise at specific points of the value chain.

Conclusion 4e. Connectivity

Given that Connectivity was only introduced as a focal area in the SSF 2017-2020, the long project cycle for major infrastructure investment and implementation complications, few outcomes (or even outputs for some projects) are yet available (although results should eventually be delivered). However, EU cooperation has laid a foundation by delivering amended national regulations and legal frameworks in accordance with international norms and approximation with EU acquis. At the same time, despite its potential, EU support in Connectivity has lacked a strategic dimension that would effectively strengthen international links, particularly with Europe – looked at from on a project-by-project basis, the programme has largely focused on Georgio-Georgian aspects such as wastewater

treatment, energy efficiency, and air quality. Long delays derive in part from different perspectives between the EU, concentrating of development outcomes, and EFI's concentrating on project outputs.

Conclusion 4f. People-to-People Contacts and Mobility

There have been some positive outcomes in People-to-People Contacts and Mobility. Visa liberalisation has proceeded well, and dialogue between DG HOME and Georgian authorities resulted in a successful response to the high number of irregular asylum applications that were made in the immediate wake of liberalisation. There has also been significant progress on international protection. Georgia has been a strong performer in Erasmus+ and Horizon 2020, although in the latter programme, as expected, participation has largely been as consortium member (not leader), and participating institutions have mostly been limited to Tbilisi-based higher education and research institutions. Georgia has joined the Bologna Process and higher education qualifications have been made consistent with European practice. Opinions differ on labour mobility under the Mobility Partnership. A significant number of agricultural workers have received seasonal work visas in Europe, but the number of highly skilled workers circulating through Europe has been disappointing to Georgian authorities. Georgian participation in the Migration Partnership Facility, a demand-driven source of finance, has been disappointing. Overall, while there has been some improvement in national migration management and progress against irregular migration, the potential of the Mobility Partnership to serve as the foundation for a genuine migration and development strategy remains unexploited.

5.2.2 Conclusion 5: Mainstreaming cross-cutting issues

There has been progress on mainstreaming, but the actual quality of mainstreaming gender may lag behind Gender Action Plan (GAP) III marker scores. Other cross-cutting issues present a mixed picture, but notable is that mainstreaming on environment and climate change has been hampered by lack of awareness and, to some extent, outright opposition.

This conclusion is based mainly on EQs 4-9.

In every area examined, the EU has integrated targeted *gender* measures and made credible efforts to mainstream in line with GAP-III. At the same time, the GAP-III marking approach has almost certainly led to overestimation of the extent to which gender has actually been mainstreamed – it is easy to mark an action as having a “significant” gender component when that component is actually far from the project’s core objective, or even trivial. In outcome terms, women continue to be at a significant disadvantage in all areas, and particularly in rural regions and among ethnic minorities. Outcomes have been constrained by traditional attitudes, which results in stark urban-rural divides, and general lack of interest. Gender-based budgeting, while it has been the subject of some pilot exercises, is not established across ministries. Where relevant, actions have also included both *youth*-targeted measures and efforts to mainstream. At the same time, rural depopulation and youth emigration (both rural-urban and international) make for a difficult context. The EU’s major contribution to the rights of the *child* has been the successful support of child-friendly justice outcomes.

Relative to gender, there has been less mainstreaming of *vulnerable groups* (persons with disabilities; ethnic, religious, and sexual minorities, etc.), although IDPs continue to be mainstreamed in programmes despite the lack of continued direct support. Vulnerable groups have been addressed largely through EIDHR projects and other forms of support to civil society, as well as advocacy through policy dialogue. The mainstreaming of *Environment and Climate Change* has been hampered by widespread lack of awareness of the importance of the issues, of the benefits of greater energy efficiency, and the presence of more pressing issues such as poverty and unemployment. Playing a role, as well, has been a significant industry-government coalition of interests arguing against tighter standards and regulation. The mainstreaming of gender into Connectivity has been particularly weak, sometimes on the argument that disaggregating outputs and outcomes by gender is impossible, but this argument is thin.

5.2.3 Conclusion 6: Trust in democracy, public institutions, civil society, and Europe

While there has been overall progress (despite backsliding on RoL, Democracy and HR,), important public opinion trends are worrying.

This conclusion is based mainly on EQ 5

Multiple opinion surveys from multiple sources document erosion of trust in public institutions and democracy itself. Having surged post-2012, this trust began to decline in the runup to the 2016

parliamentary elections and accelerated after the 2018 presidential elections. The belief that powerful persons abuse their power for personal advantage is strong.

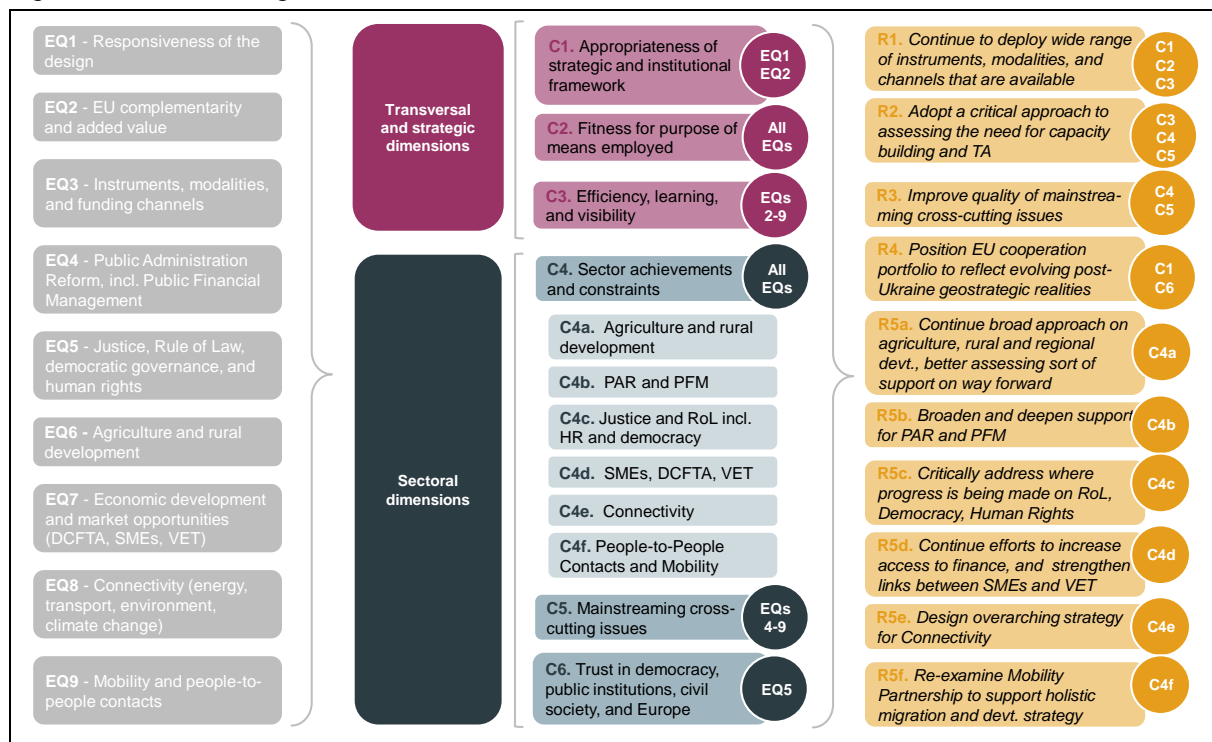
Georgian civil society has proven resilient in the context of shrinking space and increasingly acrimonious relations with Government. However, dependence on foreign donor funding continues to provide fodder to nationalist interests, who use it to sow doubts on the legitimacy of civil society. At the same time, and presenting a dilemma, civil society continues to require long-term strategic donor support, given the lack of alternative sources of finance when there are no tax incentives for private sector business and household support.

Perhaps paradoxically, despite weakening since 2018 (the year in which the EU provided the most support to Georgia) trust in Europe remains high, with both Government and opposition strongly pro-European in their public pronouncements. At the same time, the true stance of Government, to judge by some of its actions, is debatable. All survey data examined pre-date the Russian invasion of Ukraine, and it is likely that this will lead to a reinforcement of the Georgian population’s pro-European stance. Indicative of this is the March 2022 request of the Government of Georgia to be immediately considered for entry into the EU, which came about amidst large-scale public demonstrations in support for Ukraine and in response to the Georgian Government’s refusal to join in international sanctions against Russia.

6 Recommendations

This section presents seven recommendations, which emerge from the conclusions presented in the previous section. Figure 4 shows the linkages between EQs (findings), conclusions and recommendations.

Figure 4 Linkages between EQs, conclusions and recommendations



Source: Particip GmbH.

6.1 Cluster 1: Transversal and strategic recommendations

6.1.1 Recommendation 1: Instruments, modalities, and channels

The EU should continue to deploy the wide range of instruments, modalities, and channels that are available to the EU.	
<i>This recommendation is linked to: Conclusion 1, Conclusion 2 and Conclusion 3.</i> More specific sectoral recommendations are made in Recommendations 5a-5f.	
<i>Main implementation responsibility: DG NEAR, EEAS HQ, EUD Georgia.</i> <i>Main associated actors: Middle / senior management in EUD and at HQ, EFIs, other actors (incl. EU MS) involved in EU programming, National Authorities (GoG).</i>	
What should be done?	Implementing the recommendation – additional observations
1. <i>Continue to exploit the range of means at its disposal in Georgia</i>	Leveraging the clout of the AA and the DCFTA, the EU's main strength in Georgia has been identified as the many tools it has available. Not only does the EU have significant resources to deploy, it has a great many ways to deploy them and long experience in selecting the best combination of approaches. The mix should be adjusted to take into account the geopolitical shift which is taking place as of this time of writing and will be discussed further in Recommendation 4, as well as in light of past successes and disappointments. Budget Support with its Complementary Support components has been the foundation of cooperation support to Georgia and has functioned well. Policy dialogue at all levels has contributed to cooperation performance. Yet, under justice sector reform and, more broadly, Rule of Law, there has been recent backsliding in human rights and democracy. In agriculture and rural development, expectations for increased financial allocations to the sector from the State Budget were witnessed initially but did not continue.
2. <i>Use high-level (political) dialogue and budget support conditionality more effectively</i>	These examples suggest that the EU should use high-level (political) dialogue and budget support conditionality more effectively to ensure that EU goals and objectives are met . The justice sector example also brings home the fact, that, while the conditions for providing budget support are explicit and the qualification process is rigorous, the conditions for adjusting or even abandoning it when underlying value conditions are not satisfied are much more subject to interpretation.
3. <i>Design a clearer set of criteria to decide when Budget Support has achieved its purpose</i>	The EU should also design a clearer set of criteria to decide when Budget Support has achieved its purpose, which is not to say that there is no further need for support, but that other modalities, including projects, Twinning, and blending, may be more appropriate. Since budget support indicators are proposed by Government, this suggests that the EU should insist on more outcome-oriented indicators , not just output-oriented ones, requiring EU support to improve national data collection and analysis mechanisms. This is not to imply in any way that the spirit of More for More should be replaced by one of Less for Less; but only that focused conditionality may help better to achieve focused objectives.
4. <i>Continue to combine bilateral geographic, thematic, and regional instruments in its support for Georgia</i>	The EU should continue to combine bilateral geographic, thematic, and regional instruments in its support for Georgia, taking advantage of the strength of Georgian civil society and the fact that the EUD in Tbilisi is the focal point for a number of regional programmes. In examining innovative new combinations of support, the EU should strengthen synergies and cross-fertilization/learning by gathering key stakeholders, incl. implementing partners, in joint learning workshops.
5. <i>Integrate support at policy level and some</i>	Recommendations specific to blending are given below in discussing Connectivity, but overall the approach is functioning well. Some support at policy level and some policy conditionalities should be integrated into blending (e.g., by making part of the loan contingent) to ensure

<i>policy conditionalities into blending</i>	necessary policy/legislative changes are made and, more likely, that those that have already been made are rolled out or implemented if they have stalled. There should be greater use of grants to NGOs to raise awareness of the need for change and of the near-term benefits of investment in sustainability; to implement local pilot demonstration projects, etc.
6. <i>Develop a more effective approach for the design, monitoring and evaluation, of blending operations during and after implementation.</i>	The main operational need for the delivery of blending support is to develop a better modus operandi regarding the design, and especially the monitoring and evaluation, of blending operations during and after implementation. The EU should work with EFIs to jointly develop a more effective approach, and one that is based on a more seamless combination of the banking and development perspectives. A specific need is to clarify and develop the possible complementarity between support to sector policy reform (e.g., under budget support) and policy-based (i.e., conditional) lending to finance infrastructure necessary to support sector reform.

6.1.2 Recommendation 2: Approach on capacity building and TA

The EU should adopt a more critical approach to assessing the need for capacity building and TA.	
<i>This recommendation is linked to: Conclusion 3, Conclusion 4 and Conclusion 5.</i>	
<i>Main implementation responsibility: DG NEAR, EEAS HQ, EUD Georgia.</i>	
<i>Main associated actors: Middle / senior management in EUD and at HQ, EC services in charge of human resource management</i>	
What should be done?	Implementing the recommendation – additional observations
1. <i>Critically assess TA and capacity building as to their purpose and sustainability</i>	The EU has engaged in substantial amounts of such support. At the high level (e.g., Ministries), while some capacity building has been devoted to improving the ability to make policy, other actions have been more aimed to improve the management, up to European standards, of donor funds and ensure that specific conditions for budget support are met in order to ensure smooth programme operation and disbursement as foreseen. This amounts to assistance to ensure that assistance can be provided. In order to improve focus and effectiveness, the EU should specify exactly what the nature of the capacity being built is – its purpose, why it is needed, and what is expected to result from its provision. A critical approach would ensure that capacity building be forward-looking; seeking from the outset to ensure sustainability after donor support taken as a whole ends.
2. <i>Make capacity building contingent on partner government agencies having a coherent Human Resources development plan</i>	At ministerial level, there has been significant attrition as persons benefiting from capacity building are transferred to other functions or leave for the private sector due to unattractive conditions of state employment. The EU should make capacity building (at least under budget support) contingent on having a coherent Human Resources development plan whose design and implementation takes into account the length of time trained persons are expected to remain in relevant post (with reasonable allowance for normal advancement and career mobility).
3. <i>Examine TA needs closely to identify when it is proving unlikely to produce desired results</i>	The EU should similarly sharpen its approach to technical assistance. In agriculture and rural development and in justice sector reform, some TAs have continued for years with the same provider and roughly the same beneficiaries, all the while remaining at the output level. Ongoing professional relationships can sometimes pay off (as was in the case of juvenile justice reform), but there is the risk that they become self-perpetuating.

6.1.3 Recommendation 3: Mainstreaming cross-cutting issues

The EU should continue to improve the quality of mainstreaming cross-cutting issues, particularly gender equality and women's empowerment, but of other issues as well.

*This recommendation is linked to: **Conclusion 4** and **Conclusion 5**.*

Main implementation responsibility: DG NEAR, EEAS HQ, EUD Georgia.

Main associated actors: Middle / senior management in EUD and at HQ, National Authorities (GoG), EFIs and other actors involved in EU programming

What should be done?	Implementing the recommendation – additional observations
1. <i>Continue to improve the quality of mainstreaming cross-cutting issues</i>	The EU should continue to improve the quality of mainstreaming cross-cutting issues. While this recommendation is most relevant for gender equality, it is applicable to cross-cutting issues across the board , including youth, vulnerable groups (IDPs, ethnic minorities, LGBTIQ, Persons with Disabilities, children), as well as Env. & CC.
2. <i>Be more explicit about its ambition on gender</i>	Despite progress and reasonably good performance against goals, e.g., the EU Gender Action Plan in the case of gender, the marker approach adopted by the EU fails to capture the actual quality of mainstreaming. Since marking is a largely subjective process, it is easy to claim that an action contains a “significant” gender component when, in fact, the gender aspect could be secondary, or even trivial, by another marker. The EU should be more explicit about its ambition, including by stating more clearly when the support directly aims at transformational change or when it is more about temporarily supporting specific issues waiting for conditions to be there to support more transformative aspects.
3. <i>Increase the gender equality component of sector programmes, in particular in Connectivity actions</i>	The EU should increase the gender equality component of sector programmes and, in particular, it should improve integration of gender into Connectivity actions. Most large investment projects, whether in transport, water, air quality, or energy, affect men and women differently because of the division of labour between the sexes. The argument that some broad results, such as reduced GHG emissions or improved water systems, benefit men and women equally does not stand up to close scrutiny. The EU should engage in an enhanced dialogue with EFIs and national partners in the context of blending to significantly improve gender sensitivity and ensure Environmental, Social, and Governance safeguards.

6.1.4 Recommendation 4: Positioning the EU cooperation portfolio

Position the EU cooperation portfolio to reflect evolving post-Ukraine geostrategic realities in Georgia.

*This recommendation is linked to: **Conclusion 1** and **Conclusion 6**.*

Main implementation responsibility: DG NEAR, EEAS HQ, EUD Georgia.

Main associated actors: Middle / senior management in EUD and at HQ, other DGs (incl. DG TRADE, DG JUST)

What should be done?	Implementing the recommendation – additional observations
1. <i>Stand ready to adjust its cooperation programme to deal with emerging impacts at all levels</i>	The EU should stand ready to adjust its cooperation programme to deal with emerging impacts at all levels, from poor households to the macro-economy, a strong opportunity for Team Europe. That means following up on some of the most prominent high-level lessons learned in the course of this evaluation – the need to use political dialogue and conditionality more effectively, the need to prevent backsliding and roll backs in democracy and human rights, the need to better transform Georgia's economy be globally competitive and take maximum advantage of the DCFTA, and others.
2. <i>Seize the opportunities offered</i>	The EU and its like-minded national partners should seize the opportunities offered by the shift in the geopolitical context to maximise

<i>by the shift in the geopolitical context</i>	and build on Georgia's expressed eagerness to develop closer ties with Europe. This can be done by strengthening communication on the positive experiences of past EU-Georgia cooperation and the overall positive trends in policy reform observed during the last decade. It calls for redoubled attention to EU visibility and to demonstrating concrete advantages of EU integration in citizens' daily lives.
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6.2 Cluster 2: Sectoral recommendations

6.2.1 Recommendation 5a: Agriculture, rural and regional development

The EU should continue to apply a broad approach, but better assess what sort of support is appropriate going forward, keeping in mind the balance needed between the need for short-term goals and the long-term nature of the development processes involved.

*This recommendation is linked to: **Conclusion 4a**. See also Recommendation 1.*

Main implementation responsibility: DG NEAR, EEAS HQ, EUD Georgia.

Main associated actors: Middle / senior management in EUD and at HQ, National Authorities (GoG), CSOs, other actors involved in EU programming.

What should be done?	Implementing the recommendation – additional observations
<i>1. While further support to agriculture and rural development is required, it is important now to assess what kind of support is most appropriate in future.</i>	<p>Another phase of ENPARD is not to be assumed, after the fourth one. However, that a sector accounting for most of Georgian GDP continues to be dominated by farms not far above subsistence level, and by niche markets for those that are, calls for a cooperation response. The EU should assess why the essential outcome-level goals of increased productivity with accompanying competitiveness and export potential, increased farm income, decreased rural-urban gaps, and broad rural development still appear to lie in the future. Perhaps another approach less focussed on short-term reform processes would be more successful in encouraging Government to see the sector as a national priority and allocate the necessary public funds through the State Budget to support implementation of reforms.</p> <p>The share of early EU support to agricultural development that was devoted to cooperatives was disproportionate to their actual contribution to the rural economy. This suggests that in moving forward, the EU should critically assess the role of cooperatives and their links with the broad agricultural economy. Efforts to find linkages between ongoing programmes and find synergies within the portfolio should continue.</p>
<i>2. Place emphasis on ensuring a system-wide approach</i>	<p>The EU should place emphasis on ensuring a broad Sustainable Agriculture and Food System approach. Consistent with the EU's Farm to Fork strategy, this would require embracing entire agricultural value chains from farm to SME to export markets or 'Georgian forks'. The system-wide approach requires better identification of the links and complementarity between agricultural development narrowly speaking and Integrated Territorial Development, as well as support to SMEs. Given the importance of rural SMEs and the export potential of Georgian agriculture, implementation of the DCFTA would benefit from capacity building to strengthen the role of SMEs in the value chain.</p>
<i>3. Better engage the private sector.</i>	<p>Moving forward, the EU should assess the mix of initiatives to mobilise public- and private sector support, both of which could be broadened, but with emphasis on the private sector. Whereas some aspects of the sector's development (e.g., food safety) require government involvement, others such as farmers groups and cooperatives and SMEs in rural areas, as well as independent local action groups, offer opportunities for private initiatives.</p>

6.2.2 Recommendation 5b: PAR and PFM

The EU should broaden and deepen support for PAR and PFM, perhaps selecting a new modality or combining more modalities.

*This recommendation is linked to: **Conclusion 4b**. See also Recommendation 1.*

Main implementation responsibility: DG NEAR, EEAS HQ, EUD Georgia.

Main associated actors: Middle / senior management in EUD and at HQ, National Authorities (GoG), CSOs, other actors involved in EU programming, other relevant DGs (DG ECFIN).

What should be done?	Implementing the recommendation – additional observations
1. <i>Consider further support to PAR</i>	Given the centrality of PAR in all policy reforms, the EU should consider further support to PAR. This support can build directly on the initial Budget Support Programme (2016-2019), which was successful in achieving most of the agreed objectives of the PAR reform – and importantly gave government organisations experience with results-based programmes.
2. <i>Include support to areas of PAR in other budget support programmes</i>	Support to areas of PAR should also be included in other budget support programmes, both at national and sub-national level. Specific support to PAR needs to continue over the medium term, as results cannot be expected to be achieved quickly, when new ways of thinking and operating (and the introduction of new work methods and practices) are being introduced, managed and implemented.
3. <i>Balance near-term expectations, expressed in conditionality, with the long-term nature of reform supported</i>	As in the case of other areas of cooperation such as rural development, the EU should balance near-term expectations, expressed in conditionality, with the long-term nature of reform supported , which should ultimately improve the quality of public administration as it is experienced by the ordinary citizen in daily life. As PAR reform appears to have faltered after the initial budget support programme ended, a new initial, limited intervention could be subsequently broadened and deepened.
4. <i>Consider further support to bolster specific areas of the PFM system</i>	Since the continued development towards the creation a sound PFM system is an important basis for all EU interventions, the EU should consider further support to bolster specific areas of the PFM system , namely those that require strengthening so as to ensure that these areas are more aligned with EU and international standards. Further support in PAR should also address human resource issues, particularly the wide salary gap between top civil servants and the rank and file, as well as poor working conditions in local authorities.

6.2.3 Recommendation 5c: Justice, Rule of Law, Democracy, Human Rights

The EU should critically address where progress is being made and where it is not, identifying areas of backsliding and modifying the cooperation programme accordingly. EU support should contribute not only to civil society participation, but to concrete contributions to policy making and monitoring.

*This recommendation is linked to: **Conclusion 4c**. See also recommendation 1.*

Main implementation responsibility: DG NEAR, EEAS HQ, EUD Georgia.

Main associated actors: Middle / senior management in EUD and at HQ, National Authorities (GoG), CSOs (esp. HR and women's organisations), other actors involved in EU programming, other relevant DGs (DG JUST).

What should be done?	Implementing the recommendation – additional observations
1. <i>Consider adopting a more conditional approach to continuing cooperation with the Georgian authorities on judiciary reform</i>	There is need for a critical review of the efforts to reform the judiciary, with focus on assessing the impact and with aim to ascertain concrete causes of lacklustre performance, apart from weak political will. The EU should consider adopting a more conditional approach to continuing cooperation on judiciary reform and ensure that these conditions address the systemic issues of concern, including the judicial appointment process and overall judicial governance; i.e.,

	judicial independence (institutional and individual), transparency, and accountability.
2. <i>Continue support of the PDO and do not abandon support where there has been progress but it remains fragile</i>	Considering that there is a risk of backsliding and roll-backs in areas where the Public Defender's Office has been successful in fulfilling its mission, the EU should continue support of the PDO and clarify the position of the two institutions successor to the State Inspection Service. The EU should not abandon support in areas where there has been progress but it remains fragile. These include access to justice, GBV, prison health and ill treatment, alternatives to incarceration, as well as involvement of criminal subcultures in prison management.
3. <i>Strengthen efforts to ensure that EU support to civil society results in more tangible impact on planning and implementation of policies/programmes</i>	In the area of civil society, the EU needs to move beyond the surface to substance. The EU should strengthen efforts to ensure that its support results not only in representation, but more tangible impact on planning and implementation of policies/programmes. This will, in the long-term, address the dwindling trust in democracy and public institutions. The EU should address two structural factors that weaken NGOs: i) the fact that an inordinate amount of their energy is expended chasing short-term funding in a context of shifting priorities, and ii) the perception, now entrenched in Government, that they serve foreign interests.
4. <i>Consider including longer-term core support and expertise-specific capacity building to NGOs</i>	The EU should consider including longer-term core support to NGOs as provided to government institutions and has been provided to the PDO, as well as support in developing thematic capacities in AA/DCFTA reform areas. Areas that stand out far greater NGO involvement are often involve economics (e.g., PFM, the DCFTA) or require specialised technical expertise (e.g., SPS, environment and climate change). The Provision of longer-term strategic support to NGOs will contribute to improving Government-Civil Society dialogue and engagement, enhancing the impact of citizens in policy design and implementation locally and nationally.

6.2.4 Recommendation 5d: SMEs, VET, and the DCFTA

The EU should continue to diversify its efforts to increase access to finance for SMEs and strengthen the links between SMEs and VET.

*This recommendation is linked to: **Conclusion 4d**. See also recommendation 1.*

Main implementation responsibility: DG NEAR, EEAS HQ, EUD Georgia.

Main associated actors: Middle / senior management in EUD and at HQ, National Authorities (GoG), CSOs, other actors involved in EU programming, other relevant DGs (DG TRADE, EMPL, EAC).

What should be done?	Implementing the recommendation – additional observations
1. <i>Continue to support relevant stakeholders in their efforts to further relieve hurdles that the SME sector faces in obtaining credit</i>	EU support has already resulted in better access to finance for SMEs, which is the main bottleneck for SME development, but further improvement is needed. The EU should continue to support the relevant stakeholders in their efforts to further relieve hurdles that the SME sector faces in obtaining credit. First, such efforts should include policy dialogue with the Government on the possibility of a full-fledged credit guarantee scheme and alternative financing tools that could reduce the burden of the existing heavy collateral requirements on SMEs. Second, SMEs should be supported in building their financial literacy to ensure that they are bankable.
2. <i>Put stronger emphasis on increasing the sophistication of SMEs</i>	Since few SMEs have succeeded from moving up the value chain under the possibilities offered by the DCFTA, the EU should consider an SME development initiative targeting services and the IT sector, areas where Georgia could develop comparative advantage due to its relatively good higher education system while simultaneously reducing brain drain. In addition, targeted assistance should be offered

	to help SMEs adopt European harmonised standards and EU technical regulations.
3. <i>Establish stronger linkages between SME and VET support</i>	EU support has strengthened both the SME sector and VET. However, interventions followed parallel tracks and lacked cross-fertilisation and synergies. Therefore, the EU and its implementing partners should establish stronger linkages between SME and VET support and embed them in a comprehensive approach with the dual objective of: i) achieving a better match between qualifications/skills and the human resources needs of SMEs, and ii) the employability of graduates as well as re-trained workers and those returning from abroad.

6.2.5 Recommendation 5e: Connectivity

The EU should design an overarching strategy for Connectivity, which is currently largely a collection of infrastructure projects.

*This recommendation is linked to: **Conclusion 4e**. See also recommendation 1.*

Main implementation responsibility: DG NEAR, EEAS HQ, EUD Georgia.

Main associated actors: Middle / senior management in EUD and at HQ, National Authorities (GoG), EFIs, CSOs, other actors involved in EU programming, other relevant DGs (DG CLIMA, ENV, ENER, MOVE).

What should be done?	Implementing the recommendation – additional observations
1. <i>Articulate an overarching and realistic strategy for the Connectivity sector portfolio as a whole (Transport, Energy, Environment incl. Water and Sanitation, and CC).</i>	This over-arching strategy should include coherent strategies (and direction) for each component showing a timetable for longer-term high-level goals (e.g., carbon neutrality) and implications for component focal areas (clean energy, road and rail transport, air quality, etc.). The individual components of the investment portfolio cover the area well, but there is at present no clarity on how they work together as a whole to achieve higher-level objectives. “Improved Connectivity” is not a sufficiently elaborated goal, as indicated by the fact that regional and especially European integration is often mentioned but, in financial terms, most investments are oriented towards Georgia.
2. <i>Consult partner financial institutions and develop more cohesive and complementary M&E frameworks</i>	The EU should initiate consultations with partner financial institutions seeking to achieve more cohesive and complementary M&E frameworks. At present, in blending-financed infrastructure project, EFIs concentrate on achievement of outputs whilst the EU concentrates on progress towards development outcomes and impacts. A more cohesive approach to Connectivity between the EU and EFIs is needed, as is awareness raising of national partners, both the ordinary citizen and the ordinary decision maker.
3. <i>Examine the reasons for delays in the Georgia blending programme and identify potential solutions</i>	Delays, contractual complications, claims and cost escalation are a seemingly unavoidable feature of major infrastructure projects. They have, however, reached the point of being serious barriers to progress in Georgia. The EU should critically examine the reasons for delays in the Georgia blending programme and identify potential solutions. These could include making available contingency/additional financing for resolution of emerging contractual complications during implementation.
4. <i>Devote greater effort to awareness raising and dissemination of information linked to blending operations</i>	In the area of Environment and Climate Change, there is need for more awareness of the immediate benefits and costs of infrastructure investment rather than on longer-term, far-removed benefits such as carbon-neutrality and CC resilience. In short, the ordinary citizen and the ordinary decision maker remain unconvinced. The EU should, working through NGOs, devote greater effort to awareness raising and dissemination among decision-makers as well as ordinary citizens of information on potential/actual short- and medium-term benefits and cost-effectiveness of energy-saving technologies, equipment, and construction methods.

5. <i>Develop a roadmap for practical application of legislation</i>	There has been considerable effort and success in amending national legislation in compliance with international and EU norms and approximation to EU acquis. Rollout and implementation of these amended norms has been less successful, due in part to awareness issues just noted. The EU and its international and national partners should develop a roadmap for practical application of legislation as it would make necessary steps evident and reduce the risk of trying to go too far too fast.
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6.2.6 Recommendation 5f: People-to-People and Mobility

The EU, together with Government and the MS, should re-examine the potential to use the Mobility Partnership to support a more holistic migration and development strategy, including emergency measures at regional and bilateral level.

*This recommendation is linked to: **Conclusion 4f**. See also recommendation 1.*

Main implementation responsibility: DG NEAR, EEAS HQ, EUD Georgia.

Main associated actors: Middle / senior management in EUD and at HQ, National Authorities (GoG), CSOs, other actors involved in EU programming, other relevant DGs (DG EAC, RTD, HOME).

What should be done?	Implementing the recommendation – additional observations
1. <i>Use circular migration more effectively</i>	National migration management has been strengthened, with notable progress in the fight against irregular migration and protection. At the same time, the potential of the Migration Partnership to serve as the foundation for a genuine migration and development strategy has not been fulfilled. The EU should, in concert with the MS, revitalise dialogue with Government on more effective use of circular migration , including skilled worker exchanges and international skills-matching which, however, will be hindered by the more competitive Ukrainians arrival to the EU in need of income.
2. <i>Examine possibilities to use regional and bilateral programmes to deal with the unexpected inflow from Russia and Ukraine</i>	The improved protection mechanism in Georgia will have excellent potential for application with the arrival from Russia and Ukraine of large numbers of young IT, media, communications, and creative industries workers; all with the potential to contribute to Georgian development while the crisis lasts. As Georgia is not the only country in the neighbourhood experiencing this influx (Armenia is another notable one), the EU should examine possibilities to use its regional programmes to deal with this situation now taking shape while examining potential support under bilateral programmes, as well.



**The European Commission Directorate
General for Neighbourhood and
Enlargement Negotiations - NEAR**





EVALUATION OF THE EUROPEAN UNION EXTERNAL ACTION

EVALUATION OF THE EU'S COOPERATION WITH GEORGIA

Final Report

Volume II - Complementary information
at JC and indicator level

September 2022

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European Neighbourhood and Enlargement Negotiations

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Evaluation of the EU's cooperation with Georgia

Final report

The report consists of three volumes:

VOLUME I – MAIN REPORT

1. Introduction
2. Key methodological elements
3. Overview of EU cooperation with Georgia
4. Main findings
5. Conclusions
6. Recommendations

VOLUME II – COMPLEMENTARY INFORMATION AT JC AND INDICATOR LEVEL

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2. EQ2 - EU complementarity and added value
3. EQ3 - Instruments, modalities, and funding channels

Cluster 2: Thematic EQs

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6. EQ6 - Agriculture and rural development
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Cluster 1: Transversal EQs

EQ1 - Policy and strategic framework

To what extent was the EU's cooperation strategy with Georgia, taken as a whole, relevant to national/local needs and coherent with EU long-term policy objectives, including in particular the Association Agreement?		
Description/ Rationale	<i>This EQ assesses the extent to which the design of the EU cooperation with Georgia has responded to, and been aligned with, the country's priorities and population needs. The EQ also looks at the way EU support across the entire portfolio achieved consistency and coherence in its cooperation with Georgia. JC1.1 focusses on the appropriateness of the cooperation's objectives for the national development priorities and needs and for building a partnership based on mutual interests as expressed in the Association Agreement. JC 1.2 examines whether the intervention logic adopted, and the underlying theory of change, was suitable and appropriate for pursuing the objectives of the cooperation. JC 1.3 looks into the complementarity between bilateral programming and other forms of cooperation. This EQ mainly addresses the evaluation criteria of relevance (a major dimension in JC 11) and coherence (a major dimension in JC 12 and 13).</i>	

JC1.1 Appropriateness to respond to country's priorities and population needs

The objectives of the cooperation strategy at sector and overall level were appropriate to respond to the country's priorities and population needs and to build a partnership based on mutual (EU-Georgia) interests as expressed in the Association Agreement.

I-1.1.1 Degree to which the selection of priority sectors for cooperation responded to a clear rationale.

The EU's main political priorities over the evaluation period were outlined in the European Neighbourhood Policy (ENP) review of November 2015 and in the Global Strategy for the European Union's Foreign and Security Policy of June 2016. The framework for the EU-Georgia relations was embodied in the AA/DCFTA and the derived Association Agendas covering 2014-2016 and 2017-2020, in which Georgia committed to reaching political association and economic integration with the EU. Previous EU evaluation studies described a close alignment of EU and Government priorities, The Association Agreement prioritises mutual commitment to cooperation in good governance areas, including in the fields of public administration and the fight against corruption, as preconditions for the effective implementation of the Agreement. Preconditions include, as well improved Public Financial Management. All of these have been priority sectors for cooperation.

The EU's support for Rule of Law deeply reflects its involvement in the 2012 political transition, which saw the seminal Hammarberg Report from the EU Special Adviser set the course for constitutional, institutional, judicial, and human rights reforms to harmonise Georgia with European standards. In its evolution from priority areas such as maltreatment of prisoners to broader concerns such as juvenile justice and to areas of commercial and administrative law, the EU programme can also be seen as responding to Georgia's progress. The importance attached to agriculture and rural / regional development reflected several rationales. One was the EU's long involvement in supporting the sector in Georgia, because of its dominant role in the economy and centrality to reducing poverty. It reflected, as well, the *caesura* represented by the change of government in 2012, before which special needs for integrated rural development and the elimination of stark territorial welfare disparities had been side lined in favour of market-driven liberalisation, which was effective in generating growth but not in reducing inequalities, particularly the urban-rural gap. Agricultural and rural development, including harmonisation of standards, also represented low-hanging fruit for integrating Georgia and Europe under the DCFTA. Support to DCFTA, SME's, and VET / skills development are synergistic elements of the shared EU-Government of Georgia (GoG) integration agenda. The DCFTA link is obvious, but Georgia's dynamic comparative advantage has been identified as lying in SME development, and inadequate VET / skills development have been assessed as a barrier to SME expansion and labour market improvements, particularly for youth. Other constraints are access to credit and inadequate infrastructure,

areas now being addressed by EFIs with EU support through the “Team Europe” approach. The priority accorded to Connectivity reflects the geostrategic importance of Georgia as an East-West transit route, with clear implications for integration; but also its potential as an alternative to the north corridor running through the Russian Federation and Belarus and the southern corridor running through Turkey. It reflects, as well, the need to upgrade energy and water infrastructure in line with the Green Deal. The selection of Mobility as a priority area for cooperation can, along the same lines, be regarded as part of the integration agenda, as well (particularly with its visa liberalisation component) as an inducement offered by the EU to Georgia for good reform performance.

<i>Evidence</i>	
Overall assessment of quality and credibility of evidence	Given the number of EU strategic and programming documents available, the evidence for this indicator is assessed as Strong .
General	
<i>Sources of information</i>	<i>Evidence</i>
SSF 2014-2017	<p>Following comprehensive EU consultation with the Government, Civil Society Organisations, multilateral and bilateral donors, International Financial Institutions and International Organisations, a consensus has been reached regarding three priority sectors of intervention to be financed through the national envelope:</p> <ul style="list-style-type: none"> • Public Administration Reform; • Agriculture and Rural Development; • Justice Sector Reform <p>These priorities are consistent with the Government’s programme and relevant sector strategies. The sectors of intervention are in line with the Association Agreement, the Association Agenda, the DCFTA and the Visa Liberalisation Action Plan and build upon the progress that Georgia has made towards the implementation of the ENP-Action Plan priorities. They also build upon lesson learned during the previous programming cycle and extend the support provided under the ENPI 2007-2013, notably with respect to on-going support to the reform of the Criminal Justice Sector, Agriculture, Regional Development, Agriculture and Public Finance Management. These are areas in which the EU Delegation has built considerable expertise and in which it can genuinely add value.</p> <p>The choice of sector has also been informed by the EU’s international commitment to the principles on aid effectiveness set out in the Paris Declaration (2005), the Accra Agenda (2008), the Busan 5 Shall the political circumstances allow, and in addition to funding from other EU instruments (such as the Instrument for Stability), the support foreseen in the priority sectors of intervention provided for by this document may be extended to support confidence building linked to the EU engagement policy in the breakaway territories.</p> <p>Although the EU is by far the largest donor, the choice of priority sectors has also been guided by a desire to complement and reinforce the interventions financed by other donors: most EU Member States are active in the chosen sectors as are Switzerland, USAID, the European Bank for Reconstruction and Development (EBRD), the European Investment Bank (EIB), the Asian Development Bank (ADB) , the World Bank (WB), the United Nations Development Programme (UNDP) and the Council of Europe.</p>
SSF 2017-2020	<p>The stabilisation and resilience building of neighbouring countries, particularly by boosting sustainable economic development, are the EU’s main political priorities outlined in the European Neighbourhood Policy (ENP) review of November 2015 and in the Global Strategy for the European Union’s Foreign and Security Policy of June 2016. The framework for the EU-Georgia relations is embodied in the AA/DCFTA, which illustrates a deep mutual commitment based on shared values and interests in the areas of democracy and the rule of law, human rights and fundamental freedoms, good governance, economy and sustainable development. Through the Association Agreement and the derived Association Agendas covering 2014-2016</p>

	<p>and 2017-2020, Georgia commits to an ambitious reform agenda with the aim of reaching political association and economic integration with the EU. Visa liberalisation for Georgia came into effect in March 2017.</p> <p>The priorities and indicative allocations for financial assistance to be included in the Single Support Framework are connected to the priority actions set out by the revised 2017-2020 Association Agenda.</p>
Georgia case study, Thematic Evaluation of EU Support to RoI, 2010-2017	This reading of strategic documents aligns with the findings of the Georgia case study conducted during the mid-term review of the ENI instrument 2014-2017, which describes a close alignment of EU and Government priorities, hypothesising that this is due to a shared agenda to reduce Russian influence.
PAR	
<i>Sources of information</i>	<i>Evidence</i>
<p>Association Agreement</p> <p>GoG National Development Strategy, Georgia 2020</p> <p>PAR Roadmap 2015-20 and Action Plan 2015-2016</p> <p>Civil Service Reform Concept (CSRC) adopted November 2014, Action Pan 2014-2015</p> <p>Anti-corruption strategy as updated April 2015, Action Plan 2015-2016</p> <p>E-governance strategy A digital Georgia, e-Georgia Strategy and Action Plan, 2014-2018').</p> <p>Open Government Partnership (OGP) Action Plan, 2014-2015, approved by the OGP Forum in July 2014 and adopted by GoG September 2014</p>	<p>The Preamble of the EU-Georgia Association Agreement refers to the mutual commitment to cooperation in good governance areas, including in the fields of public administration and civil service reform and the fight against corruption, all preconditions for the effective implementation of the Agreement. PAR elements were included in the National Development Strategy, Georgia 2020. The EU Budget Support Programme was designed specifically to support the Government to implement the PAR Roadmap 2015-20 and its Action Plan, which the EU considered this to be a realistic and achievable public policy framework to bring PAR into conformity with the European Principles of Public Administration, as set down by SIGMA.¹ Although there is no unified mandatory EU framework on PAR, the SIGMA principles serve as a reference framework for the assessment and further development of policies in the field of PAR.</p> <p>The Preamble of the EU-Georgia Association Agreement refers to the mutual commitment to cooperation in good governance areas, including in the fields of public administration and civil service reform and the fight against corruption, as preconditions for the effective implementation of the Agreement</p> <p>A number of strategies and other measures were adopted by the government to address various aspects of PAR; these are listed in the column at left.</p>

¹ Support for Improvement in Governance and Management (SIGMA), is an EU/OECD organisation, funded by the EU, with the task of establishing the principles, first published in November 2014, that characterise a well-functioning public administration system. It was initially targeted at EU candidate countries and potential candidates and a version of the Principles has also been developed for the European Neighbourhood countries. A PAR gap analysis was conducted in 2014 which revealed that further work was needed to develop the policy framework, strengthen intra-governmental and donor coordination, develop realistic budgets and to establish a performance assessment system.

Revised Code on Self-government, February 2014	
PFM	
<i>Sources of information</i>	<i>Evidence</i>
Public Financial Management Strategy, 2014-2017	<p>The EU regarded improvements in PFM, which cuts across all sectors, as essential to closer cooperation with Georgia; in addition to which, the GoG recognised the need for improvements. The Public Financial Management Strategy, 2014-2017 addressed the findings of the Public Expenditure and Financial Accountability (PEFA) assessment carried out in 2012. A new PFM Reform Strategy, 2018-2021 responded to the 2017 PEFA review. Areas selected for support through the EU over the evaluation period responded to the PFM strategies in force, and to the two PEFAs. The programme envisaged the facilitation of a more informed oversight by non-state actors and citizens. EU prioritisation of PFM over the evaluation period also built on earlier EU assistance to PFM during the period 2007-13.</p> <p>Other relevant PFM strategies and measures include the Strategy of the State Audit Office (SAO), 2018-2021, which was adopted in December 2017 and the Road Map 2016–2022, elaborated by the State Procurement Agency (SPA), while policy coordination and public participation also operate via the PFM Council and the Parliament has been revising internal regulations and procedures to better reflect the enhanced mandate granted by the 2017 constitutional amendments.</p> <p>Documents particularly relevant to PFM are listed in the column at left.</p>
Public Financial Management Reform Strategy, 2018-2021	
2012 and 2017 PEFA reviews	
Strategy of the State Audit Office (SAO), 2018-2021, adopted in December 2017	
State Procurement Agency (SPA) Road Map 2016–2022	
Agriculture & rural development	
<i>Sources of information</i>	<i>Evidence</i>
Strategy for Agricultural Development in Georgia (SADG), 2012-2022, February 2012, updated 2015 for 2015-2020.	<p>National priorities</p> <p>While the previous government's strategy of growth and privatisation devoted little attention to agriculture, from 2010-11 onwards, and especially following the election of a new government from 1st October 2012, agriculture was given a higher priority, with a significant increase in budgetary resources allocated to the sector to support implementation of the new sector strategy, the Strategy for Agricultural Development in Georgia (SADG), 2012-2022, which was finalised in February 2012. Public spending for agriculture - using the budget of the Ministry of Environmental Protection and Agriculture (formerly the Ministry of Agriculture) as a proxy for the sector – doubled between 2011 and 2012, from GEL 75 million to GEL 150 million. The sector thus became a top strategic priority for Georgia, increasing its share of the national budget from 0.8% in 2012 to 2.9% in 2014 and to 3.2% in 2016, although this trend appears to have reversed thereafter. The Government of Georgia (GoG) Programme stated that the development of agriculture was one of the country's top priorities. With assistance from the EU, the government (and specifically the Ministry of Agriculture) undertook preparation and implementation of both an updated agricultural strategy, developed in 2015, covering the years 2015-2020, as well as the subsequent rural development strategy, illustrating their continued commitment to both agricultural and rural development.</p>
GoG National Development Strategy, Georgia 2020, 2012	
Government of Georgia Programme: for strong, democratic and unified Georgia', Tbilisi, May 2015	
Rural Development Strategy in Georgia (RDSG), 2017-2020.	
Final Evaluation of ENPARD 1	

<p>ENPARD (the European Neighbourhood Programme for Agriculture and Rural Development), 1, Budget Support Programme (SBSP) announced on 28th August 2012:</p> <p><i>Single Support Framework (SSF) for EU Support to Georgia (2014-17)</i></p>	<p>EU priorities</p> <p>The EU has a long history of supporting the agricultural sector in Georgia, from the TACIS programme during the 1990s and through the subsequent Food Security Programme in the early-mid 2000s, which included targeted budget support to the Ministry of Agriculture (MoA). From 2007 onwards, the modality of Budget Support was available through the ENPI (and then the ENI). With the new government's political commitment to supporting the sector from 2011-12, it was logical for the EU to focus on agriculture as the sector to be supported under a new Budget Support Programme (SBSP). The appropriate PFM conditions were already favourable for launching such a new BSP. ENPARD I was followed by a further three phases of the programme: ENPARD II, III and IV, with a progressive extension of activities rationally aligning with both Georgian and EU objectives and priorities.</p> <p>ENPARD I reflected the high priority given to agriculture and rural development as one of the three strategic areas of cooperation within the <i>Single Support Framework (SSF) for EU Support to Georgia (2014-17)</i>, and the indicative allocation for the sector was 30% of the total. The government which assumed office in October 2012 was finalising a National Development Strategy at the time of drafting the SSF and there were substantial synergies between the priorities identified in the SSF, the Georgian Dream Programme and the Government's work programme. The aims and objectives of ENPARD 1 could be aligned to the 7 priorities within the agricultural strategy (the SADG, 2012-2022), with the specific conditions being linked to strengthened cooperation amongst small farmers, together with capacity building for both small farmers and for institutions in agriculture, including the MoA.</p>
<p>ENPARD (the European Neighbourhood Programme for Agriculture and Rural Development), II, Budget Support Programme (SBSP)</p>	<p>While ENPARD I focused on small farmers and cooperatives, as well as initial participatory rural development activities, with an emphasis on local initiatives and decision-making in three pilot municipalities utilising the LEADER approach (Links between actions of rural development',² and Local Action Groups (LAGs), ENPARD II extended these activities to a further five municipalities (together with introducing pilot rural development measures in Abkhazia and Adjara). ENPARD II also focused on food safety requirements (critical for the export of Georgian produce to the EU) moving to alignment with improved Sanitary & Phyto-Sanitary (SPS) and food quality standards, as well as inspection and control measures. The overall aim of both ENPARD II and III was to enhance competitiveness and sustainability of the agriculture sector and improve employment and living conditions in rural areas through the diversification of the rural economy.</p>
<p>ENPARD (the European Neighbourhood Programme for Agriculture and Rural Development), III, Budget Support Programme (SBSP)</p>	<p>ENPARD III also extended these rural development local initiatives to a further four municipalities (thus, totalling support to twelve in all). Technical Assistance (TA) provided under ENPARD I and II supported the government (and specifically the Ministry of Agriculture) in the preparation and implementation of an updated agricultural strategy, which became the Strategy for the Agricultural Development of Georgia (SADG), 2015-2020, as well as the development of the subsequent Rural Development Strategy in Georgia (RDSG), 2017-2020.</p>
<p>ENPARD (the European Neighbourhood Programme for Agriculture and Rural Development), IV, Budget Support Programme (SBSP), approved at the end of 2019 for implementation over the period, 2020-2025, (signature of Financing Agreement, spring 2020)</p>	<p>ENPARD IV focuses on two components: food safety / sanitary and phytosanitary (SPS) measures; and rural development. Assistance is provided in the food safety and SPS sector to enhance consumer protection in Georgia and to facilitate exports of safe Georgian products to EU Member States - taking advantage of the opportunities available under the DCFTA - as well as potentially to other countries. This builds on the achievements of the Comprehensive Institution Building (CIB) Programme and of previous phases – ENPARD II, in particular, which had a component on food safety. It provides further support to the National Food Agency (NFA) for improved inspection and control systems, and to continue the legal approximation process, including enforcement of newly adopted regulations. ENPARD IV also supports food business operators in their efforts to adapt to such reforms.</p> <p>ENPARD IV also provides support to rural development, with the objective to improve living conditions and make the rural economy a more dynamic contributor to Georgia's economic and social development. ENPARD IV aims to improve the economic and social integration of vulnerable households in disadvantaged rural regions of Georgia, including eco-migrants, conflict affected people (IDPs and their host communities), ethnic minorities, Georgian returnees and newly arrived migrants, using the EU's LEADER approach and promoting Local Action Groups (LAGs). The Action is intended</p>

² see: https://ec.europa.eu/agriculture/sites/agriculture/files/publi/fact/leader/2006_en.pdf

	to further enhance civic participation in the regions of Georgia through increased civil society involvement in local decision-making processes by actively promoting and encouraging participation of youth and women, noting the specific needs and constraints of these groups. Drawing from lessons learnt from previous phases, the assistance will continue to promote a bottom-up model of rural development, based on EU best-practices. In line with the EU engagement policy towards Georgia's breakaway region of Abkhazia, ENPARD IV activities in rural development and/or food safety will also be implemented in that region, in accordance with the crisis declaration.
Justice, Rule of Law, democratic governance, and human rights	
<i>Sources of information</i>	<i>Evidence</i>
SSF 2014-2017	<p>Since 2005, Justice has been a consistent priority for both Georgia and the EU as enshrined in the ENP Action Plan with a focus on Rule of Law, democratic institutions, fundamental freedoms and respect for human rights [...]. The planned interventions in the criminal justice sub-sector will therefore build upon, reinforce and extend the support provided by the EU since 2009 [...]. The EU's privileged position with regard to policy dialogue, its added value for reinforcing a human rights-based approach, and coherence with the external dimension of EU policies justify deepening and expanding its support in the justice sector, beyond criminal justice. The EU Special Adviser on Constitutional and Legal reform and Human Rights has presented a report in September 2013 "Georgia in Transition" with recommendations that the government is committed to implement.</p> <p>There is a need to reform both legislation and practices of the civil and administrative justice system [...]. The ENP Progress Report¹⁰ also highlighted the importance of ensuring the independence of the judiciary, of enhancing the skills at all levels within the justice system and improving court and case management procedures, matters which are echoed in the new Government Programme. Moreover, there is an urgent need to increase access to justice and to provide victims, suspects and offenders with the support needed, via mechanisms like independent legal aid, strengthened Bar Association and accessible oversight institutions (Public Defender, relevant Parliament Committees or CSO).</p>
SSF 2017-2020	<p>Since 2005, Justice has been a consistent priority for both Georgia and the EU as enshrined in the ENP Action Plan with a focus on Rule of Law, democratic institutions, fundamental freedoms and respect for human rights. To date, most EU efforts have been geared towards criminal justice and human rights, in alignment with national priorities: there have been two consecutive Sector Policy Support Programmes in criminal justice (EUR34 million in total); technical assistance has been provided to the Public Defender's Office; and support has been given to Civil Society Organisations to enable them to participate in the justice sector reform process. The previous Government's "zero tolerance policy against crime", which it has pursued since 2003, has substantially reduced crime rates but has also significantly increased the prison population. The 2012 disclosure of abuses to prisoners illustrated how precarious the reforms in the justice sector are. Although important measures have been taken, such as an substantial reduction of the prison population following the 2013 amnesty, more needs to be done to speed up the shift from repressive to restorative justice, to emphasise human rights-based approaches, and to tackle other challenges (e.g. ensuring citizen's right to a fair trial, reducing incarceration rates, introducing rehabilitation programmes for inmates, reducing the overloading of the probation services, strengthening law enforcement procedures). The planned interventions in the criminal justice sub-sector will therefore build upon, reinforce and extend the support provided by the EU since 2009.</p> <p>The EU's privileged position with regard to policy dialogue, its added value for reinforcing a human rights-based approach, and coherence with the external dimension of EU policies justify deepening and expanding its support in the justice sector, beyond criminal justice. The EU Special Adviser on Constitutional and Legal reform and Human Rights has presented a report in September 2013 "Georgia in Transition" with recommendations that the government is committed to implement. In the first instance, there is a need to reform both legislation and practices of the civil and administrative justice systems. Administrative justice is key as part of the wider drive to improve the range, cost-efficiency, quality and transparency of public services. On Civil justice, inter alia, issues to be dealt with are labour rights (neither codified nor protected in accordance to international labour standards) and property rights, including land ownership which is presently inhibiting progress in the agriculture and rural development sectors.</p> <p>The ENP Progress Report also highlighted the importance of ensuring the independence of the judiciary, of enhancing the skills at all levels within the justice system and improving court and case management procedures, matters which are echoed in the new Government Programme. Moreover, there is an urgent need to increase access to justice and to provide victims, suspects and offenders with the support needed, via mechanisms like independent legal aid, strengthened Bar Association and accessible oversight institutions (Public Defender, relevant Parliament Committees or CSO).</p>

<p>Association Agenda 2017-2020 Council Recommendations</p>	<p>Continue reforming the justice sector, in particular to ensure the full independence of judges and strengthen the accountability, efficiency, impartiality, integrity and professionalism of the justice system, by implementing key judicial reforms addressing inter alia the High Council of Justice, the Prosecutor Office, transparent and merit-based recruitment, judicial accountability, training of judges, the institutional structure of courts, an effective electronic case management system, legal aid and services, commercial justice and alternative dispute resolution mechanisms. Continue to increase accountability and democratic oversight of law enforcement agencies free from any undue interference. Continue reforming the criminal code of Georgia with the objective of liberalization and modernization of the law and ensuring its full compliance with relevant international standards.</p> <p>Continue effective implementation of the anti-discrimination law, the Human Rights Strategy and the National Human Rights Action Plan and strengthen media pluralism, transparency and independence. Establish an independent investigative mechanism to investigate allegations of ill treatment by law enforcement bodies; enhance gender equality and ensure equal treatment in social, political and economic life; and focus on measures to protect children against all forms of violence. Continue reform efforts to ensure a high-level protection of personal data.</p> <p>Political dialogue and cooperation towards reforms in the framework of this Association Agenda seek to continue strengthening respect for democratic principles, such as political pluralism, inclusiveness in decision making and separation of powers and cooperation with the opposition, the rule of law and good governance, human rights and fundamental freedoms, including the rights of persons belonging to minorities as enshrined in the core UN and Council of Europe Conventions and related protocols and to contribute to consolidating domestic political reforms, in particular through approximating with the EU <i>acquis communautaire</i>.</p>
<p>Annex III: Public Policy Eligibility</p>	<p>The above justice sector reform policy (see Section 1.1 above) is wholly coherent with the Government's Programme and its long-term objectives, which interlink sectorial policies in the areas of education, social protection, finance, business, energy and justice into a coherent national strategic plan. Achievement of closer European integration - characterised <i>inter alia</i> by the prospective <i>visa free regime</i> and <i>free trade</i> between EU and Georgia - is both a precondition for, and a driver of, the eventual achievement of the above sectorial reform and national development objectives. The justice sector reform policy promotes synergies with various on-going or planned EU activities in Georgia, including the Human Rights Programme (designed and launched simultaneously with this Programme), PAR Programme (e-justice and e-Government, anti-corruption), Rural Development Programme (land registration), project on legislative development, impact assessment and EU-law approximation system (currently being launched), and other activities undertaken to support the EU-Georgia visa dialogue (capacities to fight organised crime and corruption), DCFTA (property rights and labour disputes), and other EU-Georgia policy initiatives.</p>
<p>Economic development and market opportunities (DCFTA, SMEs, VET / skills development)</p>	
<p><i>Sources of information</i></p>	<p><i>Evidence</i></p>
<p>SME Development and DCFTA - Georgia (SME DCFTA) Description of Action (DOA), 2015 Joint Staff Working Document Implementation of the European Neighbourhood Policy in Georgia Progress in 2014 and recommendations for actions, 2015 Georgia: Compliance Review – EU Sector Budget Support Programme Support to EU-</p>	<p>The Deep and Comprehensive Free Trade Area (DCFTA), which came into provisional effect in 2014, is at the core of the AA. The designing process followed a "Trade Sustainability and Impact Assessment", financed by the EU and published in October 2012. It concluded that the DCFTA would have a positive impact on GDP growth (+4.3%) in the longer term, that there would be a net increase in national income of approximately €292 million, and that employment and real wages would rise as a result of the implementation of the AA/DCFTA. In June 2014 the EU and Georgia agreed jointly on the Association Agenda which provides a set of priorities for implementing the AA/DCFTA.</p> <p>The DCFTA provides the framework for the development of trade and the opening and expansion of market opportunities through increasingly tighter economic links with the EU Common Market. DECFA is thus highly relevant for Georgia's economic development. This is further underpinned by the fact that the EU is Georgia's largest trading partner. The DCFTA comprises around 300 technical regulations, covering SPS (272 regulations) and TBT measures (27, including 21 New Approach Directives and 6 horizontal legislation), which should be transposed into national law by 2027.</p> <p>The EU-funded Sector Reform Contract "Support to EU-Georgia Deep and Comprehensive Free Trade Area and Small and Medium Size Enterprises" was to assist the Georgian Government in the implementation process of the DCFTA, and facilitating Georgia's Integration into the EU market. A particular focus was on the strengthening the capacities of Georgian SMEs (which account for 99.7% of all Georgian firms), both to increase their competitiveness and to ensure their adaptation to the new regulatory environment. In relation to the specific objective (3) stated above the Project will aim at reaching the following Project Objective: to lay the ground for empowering the SME sector to ensure a broad based growth. The Project is implemented in four Project Components: 1) Improvement of the enterprise development framework and SME participation in the political dialogue; 2) Comprehensive capacity development for SME support institutions with a focus on improved service delivery; 3) Promotion of enterprise</p>

<p>Georgia DCFTA and SME, June 2017</p> <p>UNECE, Regulatory and Procedural Barriers to Trade in Georgia. Needs Assessment, 2018</p>	<p>development via clustering and support to business networks on national, sector and local levels; 4) Integration of business clusters and networks in relevant existing EU networks for enterprise development, and Investment and trade promotion, such as the Enterprise Europa Network.</p>
<p>Review of Sector Reform Contract on Employment and Vocational Education and Training (EVET). 2017</p>	<p>In December 2013 the EU signed a FA with GoG for a Sector Reform Contract (SRC) under the EU ENP EU-Georgia Annual Action Programme 2013 (AAP2013) to support reforms in Employment and Vocational Education and Training (EVET). Additional financing for the EU AAP2013 SRC EVET was provided under the Eastern Partnership Integration and Cooperation Programme (EaPIC) 2012 and 2013. The SRC EVET focussed on reforms under three headings, all of which were highly relevant to Georgia's economic development: i) effective labour market management (including a labour market information system to inform and forecast skill requirements, and strengthened capacities of the newly recreated Employment Support Services); ii) improved quality of the VET system (including the matching of skills taught with the needs of the labour market through the regular updating of occupational standards and curricula, and enhancing the quality of VET qualifications through improved teachers and teaching, recognition of alternative pathways and learned skills, use of customised short courses to upgrade workers' skills or support reskilling, etc.); and iii) improving the transition from student to employment, the awareness of the opportunities and benefits to be derived from VET by both potential employees and employers, and the strengthening of the social partnership between the VET system and employers and employees.</p>
<p>Twinning Work Plan, Description of the Action, 2014</p>	<p>DEFCFA is directly aligned with the Socio-economic Development Strategy of Georgia "Georgia 2020", according to which the GoG will continue to reduce remaining technical barriers to trade in order to facilitate export development and integration with international and European markets and to increase the competitiveness of Georgian products and services. In this context, national quality infrastructure will be developed and national quality institutions will be integrated with international and European systems. Georgia will consistently harmonise its national supervisory systems with European ones.</p> <p>DCFTA represents the overarching trade policy framework the implementation of which will give Georgia a sound and stable legal framework, bringing its legislation closet to that of the EU, thus gradually integrating Georgia into the EU internal market. However, the effective implementation of the DCFTA obligations depends very much on the efforts and modernisation of the relevant institutions.</p> <p>Technical Barrier to Trade (TBT) was identified as one of the priority areas for a successful completion of negotiations between Georgia and the EU over the DCFTA. In this regard, the EU supported and continues to support key Georgian institutions along the TBT reform process.</p>
<p>RECOMMENDATION No 1/2017 OF THE EU-GEORGIA ASSOCIATION COUNCIL of 20 November 2017 on the EU-Georgia Association Agenda [2017/2445]</p>	<p>EU-Georgia mid-term priorities, e.g.</p> <ul style="list-style-type: none"> • Supporting the development of efficient value chains and supporting SMEs to increase their competitiveness in selected sectors with high export value; • Encouraging a strategic approach to vocational education and training (VET) with a view to bringing Georgia's VET system in line with the modernisation of EU VET structures as pursued in the Copenhagen Process and through its instruments and respecting the equal opportunities principles; • Strengthening a strategic approach to youth policy and enhancing exchanges and cooperation in the field of non-formal education for young people and youth workers, as a means to promote intercultural dialogue and support civil society, inter alia through the youth strand of Erasmus+; <p>Ensuring right to education for all children and young individuals, including those with special educational needs and taking further steps to promote inclusive primary and secondary education.</p>
Connectivity	
<i>Sources of information</i>	<i>Evidence</i>
Environment & CC	
European Neighbourhood Instrument (ENI)	The European Neighbourhood Instrument (ENI) was the main financial instrument for implementing the ENP until December 2020. Climate action and disaster resilience are among the six ENI targets, while CC action and energy cooperation are among the priority areas. The ENI regulation specifies

	<p>that environment is one of the cross-cutting objectives in all actions undertaken under the regulation. During the period under review, a large part of the EU support to Env. & CC was channelled through the Neighbourhood Investment Platform (NIP), formerly known as the Neighbourhood Investment Facility (NIF) and established in December 2007. Env. & CC is not a priority sector of intervention in the European Neighbourhood Instrument (ENI) 2014-2020 – Single Support Framework for EU Support to Georgia (2014-2017)).</p>
Single Support Framework 2017 - 2020	<p>The EU-s framework for cooperation with Georgia is the multiannual programming document for the period 2017-2020: Single Support Framework. It is based on the Eastern Partnership priorities to achieve stronger economy, governance, connectivity and society. It includes priority sector 3: Connectivity, energy efficiency, environment and climate change (with indicative 15% of total budget). It also notes that cross-cutting issues, notably environmental protection and climate change, will be mainstreamed in the priority sectors. In relation to EU Strategy for Georgia the first SFF (2014-2017) did not list environment among priority sectors of intervention.</p> <p>The six priority sectors of Intervention relevant to ENV & CC include:</p> <p>Sector 3: Connectivity, energy efficiency, environment and climate change (indicative 15% of total budget)</p> <ul style="list-style-type: none"> • Increasing energy independence (implies decreasing imports of oil and gas) • More renewable energy • Sustainable management of natural resources (sustainable production and consumption, environmental protection and resilience, • Energy and resource efficiency and circular economy (along with green economy) still under-performing in Georgia. • Implementation of the commitments stemming from the Association Agreement, the Energy Community Treaty as well as the Paris Agreement on Climate Change will also be supported. <p>Specifically mentioned are the "Energy Efficiency" and "Renewable Energy" Action Plans and the EU Monitoring Mechanism Regulation.</p> <p>The priority sectors reflect the revised ENP and Association Agenda and are coherent with the Eastern Partnership priorities set in the "20 Deliverables for 2020". The priorities are in line with the Georgian Governments 4 Point Action plans strategic objectives that include Economic Development; Spatial Planning; Good Governance and Education.</p> <p>The choice of priority sectors was guided by the Joint Programming exercise, and recently embodies into a Joint Strategy on six sectors as well as with the key global policy goals set by Agenda 2030 and the Paris Agreement on Climate Change.</p> <p>Cross cutting issues, notably environmental protection and climate change, gender, digital and human rights will be mainstreamed in the priority sectors.</p>
Revised Agenda on the EU-Georgia Association Agenda (2017-2020)	<p>The Revised Agenda on the EU-Georgia Association Agenda (2017-2020) presents environment and climate change objectives under the priority on connectivity, energy efficiency, climate action and civil protection. In the field of environment the Parties will cooperate with the aim to fulfil short-term priorities e.g. adoption of the 3rd National Environmental Action Programme of Georgia (2017-2021) and medium term e.g. implementing the National waste management strategy and measures foreseen in the 2016-2020 action plan. The short and medium-term priorities are also presented for climate change. For example, the Parties will cooperate on finalisation and adoption of a Low Emission Development Strategy of Georgia in a short term and on approximating legislation of Georgia to EU and international instruments as envisaged by the Association Agreement in the medium-term. Consequently, the revised agenda on the EU-Georgia Association Agenda identifies a medium-term priority to mainstream climate action in sectoral policies and measures to strengthen the capacity of different authorities to implement climate action across sectors. The Eastern Partnership policy beyond 2020 notes the need to work on new policy priorities e.g. ecological transformation and to mainstream these issues into all policy objectives.</p>
Energy	
ENI/2019/412-869 & ENI/2019/412-866 Programme for Energy Efficiency in Public Buildings in Georgia – EBRD & KfW Part ENI/2019/404204 GESR	<p>A Roadmap of policy reform measures (the Roadmap) containing key milestones for the reforms to be achieved each year has been developed. The Roadmap was subject to extensive stakeholder consultations (although field phase interviews suggested that such consultations were not always as effective as was hoped due to unfamiliarity with such consultation processes) and agreed with GoG thus providing the basic prioritisation of actions under these projects.</p> <p>A critical element to sustain the results of the Programme is the selection of buildings, which will reflect demographic trends, education strategy and priority based on the input of the GoG. At the PIA level the implementation consultant will provide mainly technical information while the relevant ministries and MDF will contribute with input on education and development strategies and priorities. The awareness of citizens (and decision makers) for EE and its potential is rather low and EE is in general not a priority so far. This and the lack of an EE regulatory framework limit a greater adoption of EE in new constructions and in buildings renovation, resulting in a limited market for buildings materials, equipment and practices.</p>

	<p>Although the Government has expressed its commitment to adoption of EE standards, including in the AA, Energy Community Treaty and draft National Energy Efficiency Action Plan, public funding for energy efficient rehabilitation of buildings is scarce due to increased investment costs required for deep renovations, limited value chain for EE technologies and materials and limited understanding of EE benefits.</p> <p>The Action contributes to the objective to reduce energy consumption by 15% by 2030 compared to Business as Usual (BAU) according to the Nationally Determined Contributions (NDCs) of the GoG. The GESR programme and the Action shall form together a coherent set towards the envisaged change, that shall also lead to improved regulation, monitoring and incentives as well as sensitization of professional organizations in the sector, which can notably open significant opportunities in terms of integration of environmental and climate issues. While the GESR improves the overall regulatory framework, the Action develops the market for EE technology and materials and creates necessary experience in the construction industry which than could lead to a large-scale roll-out of the improved EE standards in the building sector. The Action could be considered a game changer towards creating a more sustainable building stock in Georgia. It kick-starts the investments in the building sector through comprehensive EE upgrades and rehabilitations in a large number of public buildings, according to the proposed EE standards.</p> <p>The Action is aligned with the NIP Strategic Orientations (2014-2020), particularly with Strategic Objective 1. As per NIP Strategic Orientations (2014-2020), NIP support under Strategic Objective 1 should include energy Projects “[...] contributing to meeting partners countries’ national policies and targets, in the area of [...] energy efficiency and energy savings [...]” Moreover, the Action is in accordance with the Single Support Framework for EU Support to Georgia (2018-2020) where under connectivity, energy, efficiency and climate change, one of the main objective focuses on enhancing energy efficiency, increasing energy independence through the promotion of energy efficiency improvements, increased market competition and transparency.</p>
<p>ENI/2017/390-659 Extension of the Georgian Transmission Network</p>	<p>The Action is fully in line with the EU’s country strategy for Georgia under the European Neighbourhood Policy and with Georgia’s national development strategies, notably the TYNDP.</p> <p>The investment sub-projects under the Action are among the highest priorities for GSE and GoG (notably the Ministry of Energy and Ministry of Finance).</p> <p>The Action aims at further stabilising the electricity supply in Georgia and contributing to a stable, reliable, cost-effective and efficient national transmission grid while at the same time fostering opportunities to cross-border electricity trade. It further addresses Georgia’s need for increasing its energy generation by providing the necessary transmission infrastructure. The general objectives of the Action are:</p> <ol style="list-style-type: none"> a) Provision of grid infrastructure for promotion of net integration of hydropower plants ("HPPs"); b) Increase of transmission capacities, including cross-border trade; c) Improvement of security of energy supply. <p>By this, the Action contributes to the regional cooperation and supports Georgia’s role as energy hub in the region. A stable and reliable power supply will contribute to the socio-economic development of the country. Furthermore, the cross-border cooperation in the energy sector helps to improve the relations between the countries in the south Caucasus.</p> <p>The sub-projects to be financed under the Action will be fixed depending on the priorities of GSE and the outcomes of the feasibility study. This gives GSE and GoG the opportunity to flexibly react to changed dynamics in the energy sector. The sub-projects are closely interrelated and will be implemented according to their different timely priorities.</p> <p>Sub-project (d) comprises the rehabilitation and replacement of existing single-circuit transmission infrastructure in Kakheti by double-circuit transmission infrastructure in order to increase the energy transmission capacity in the region.</p> <p>Sub-project (d) has a high priority for GSE and was added to the scope of the Action in April 2017.</p>
<p>Transport</p>	
<p>ENI/2018/403-497 Technical Assistance for Georgia Transport Connectivity– Phase 1” financed from the general budget of the European Union</p>	<p>Georgia’s road network of 20 327 km consists of (i) 1 603 km of main roads; (ii) 5 298 km of secondary roads; and (iii) 13 426 km of local roads. The country has prioritized E60 East West Highway investments under its main road network. Running from the Red Bridge at the Azerbaijan border to Poti port at the Black Sea coast, a distance of about 390 km, E60 East West Highway is part of the extended Trans European Transport Networks (TENT-T) and is a key transit route between Western Europe and Central Asia for transportation of oil and gas, as well as dry cargo. The extended TENT-T route is the shortest route between Europe, Caucasus and Central Asia countries through the Black Sea ports. It is an alternative to the north corridor running through the Russian Federation and Belarus and the southern corridor running through Turkey. This puts a particular onus on improving logistics and transport services within Georgia, but also cross border, along the extended TENT-T. The Georgian government is committed to completing the E60 East West Highway by 2020 and has in recent years accorded high priority to the upgrading of the corridor to international</p>

under the Neighbourhood Investment Platform	<p>highway standards (2x2 lanes). It has opted to finance E60 East West Highway by using both its own budget and the significant support from International Financial Institutions and it is strongly committed to the timely and full completion of the Project, as it is part of its Four Points Reform Agenda.</p> <p>Road safety is a national priority with roads deaths at 13.9 death per 100 000 (2017) representing levels more than twice as high as the EU average and associated socio-economic impact equivalent to an estimated 1% of GDP.</p> <p>The main aim of the Project is to substantially enhance Georgia's global connectivity to Europe and local mobility through targeted interventions on selected priority primary and secondary roads, thus strengthening Georgia's vital transport and trade links and therefore supporting economic growth. The Project is part of the national transport strategy for Georgia and was included in the list of the 2010-2014 priority projects.</p> <p>Pillar 1: Investment Pillar</p> <p>This component consists of new construction and rehabilitation of approximately 253 km of priority primary and secondary roads. Ten Sub-Projects have been preliminarily prioritized by the Promoter. Out of these Sub-Projects, up to three will be financed with the Bank Loan for a total length of 40km - i.e. E70 Grigoleti / Kobuleti Bypass Section, E60 Ubisa / Shorapani F3 Section and E60 Chumateleti / Khevi F1 Section. The Bank is seeking internal Board approval for a new loan to finance additional three Sub-projects for a total length of 87km - i.e. Rustavi / Red Bridge Section, Algeti / Sadakhlo Section and e/ Sagarejo Section. The remaining Sub-Projects are proposed to be financed in parallel by the Government of Georgia and other International Finance Institutions (IFIs) (including World Bank (WB), Asian Development Bank (ADB), Japanese International Cooperation Agency (JICA), Asia Infrastructure Investment Bank (AIIB)) following their own due diligence.</p> <p>All the Sub-Projects are either located directly on the East West Highway or on roads which connect to the East West Highway. They are part of the National Transport Strategy for Georgia and are included in the Government's list of priority projects for the period 2017-2020.</p> <p>Pillar 2.B. – Road safety Technical Assistance for priority blackspots management (indicatively EUR 600 000):</p> <p>The Technical Assistance to be provided under this sub-component will support the Promoter in selecting priority blackspots located along the East West Highway for their management, with a focus on the vicinities of the Sub-Projects to be financed by the Bank, in order to fully seize the benefits of the Project.</p>
European Neighbourhood Instrument (ENI) – 2017-2020 Single Support Framework for EU support to Georgia (2017-2020)	<p>The priority sectors reflect the revised ENP and Association Agenda and are coherent with the Eastern Partnership priorities set in the "20 Deliverables for 2020"5. The priorities are in line with the Georgian Governments' 4 Point Action plan's strategic objectives that include Economic 4 The choice of priority sectors has also been guided by the Joint Programming exercise, initiated in Georgia in 2013 and recently embodied into a Joint Strategy on six sectors as well as with the key global policy goals set by the UN 2030 Sustainable Development Goals and the Paris Agreement on Climate Change.</p> <p><u>The priority Sectors of Intervention are:</u></p> <p>Sector 3: Connectivity, energy efficiency, environment and climate change (indicative 15% of total budget)</p> <p>Increasing energy independence is a geostrategic necessity, which can be supported through energy sector reforms in line with the integration process with the EU and use of renewable energy sources. Sustainable management of natural resources (sustainable production and consumption, environmental protection and resilience, energy and resource efficiency) and circular economy (along with green economy) are still under-performing in Georgia. Implementation of the commitments stemming from the Association Agreement, the Energy Community Treaty as well as the Paris Agreement on Climate Change will also be supported.</p>
Mobility	
<i>Sources of information</i>	<i>Evidence</i>
Recommendation No 1/2017 of the EU-Georgia Association Council of 20 November 2017 on the EU-Georgia Association Agenda [2017/2445]	<p>Visa-free travel to the Schengen countries for Georgian citizens holding a biometric passport entered into force on 28 March 2017, aimed at a substantial enhancement of mobility and people-to-people contacts between the two sides, in a secure and well managed environment, is a fundamental element underpinning the political association and economic integration of Georgia with the European Union as foreseen in the Association Agreement. The EU acknowledges Georgia's achievement in fulfilling all the required benchmarks of the Visa Liberalisation Action Plan, which led to the adoption by the Commission of a fourth and last progress report on 18 December 2015.</p> <p>EU-Georgia Medium-term priorities, e.g.</p>

	<ul style="list-style-type: none"> • Carrying out joint work and exchanges with a view to promoting Georgia's further integration into the European Higher Education Area in the context of its membership of the Bologna process, including through strengthening an independent and development-oriented quality assurance system, promoting active participation of stakeholders and civil society in the reform processes and strengthening the academia-labour market cooperation for a greater employability of graduates; • Promoting academic cooperation, capacity building and student and staff mobility through the Erasmus+ programme as well as researchers' mobility, career development and training through the Marie Skłodowska-Curie actions; — Encouraging a strategic approach to vocational education and training (VET) with a view to bringing Georgia's VET system in line with the modernisation of EU VET structures as pursued in the Copenhagen Process and through its instruments and respecting the equal opportunities principles; <p>Strengthening a strategic approach to youth policy and enhancing exchanges and cooperation in the field of non-formal education for young people and youth workers, as a means to promote intercultural dialogue and support civil society, inter alia through the youth strand of Erasmus+.</p>
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I-1.1.2 Evidence that regularly updated context analyses were used to design, and modify as needed, the overall cooperation strategy and individual interventions

EU analysis of context and needs in cooperation support EU has been timely and of good quality. Context analyses in SSFs are less thorough, but fit for purpose to justify proposed actions. All annual implementation progress reports contain an overall and sector-by-sector analysis of the evolving situation. In 2014, a thorough Justice Sector needs assessment was done, based in good part on the Hammarberg Report and EU-supported Venice Commission TA. For Connectivity, thorough needs assessments from an engineering perspective informed the 2014-2020 SSF. In Agriculture and Rural / Integrated Territorial Development, the long experience prior to the evaluation period of the EU in budget support, and the analysis of evolving needs, provided a sound basis for the evolving cooperation strategy. [ENPARD supported agriculture & rural Development, Regional Development was been supported by EU through the earlier Regional Development budget support programme (BSP), and now the EU4Integrated Territorial Development budget support programme is linked to the government's Pilot Integrated Regional development programme, 2020-2022 and focuses on the urban-rural gap.] Context analysis in Rule of Law informed a gradual increase in emphasis on civil, commercial, and administrative law as progress in criminal justice was consolidated. Judicial independence, transparency, and accountability, as discussed in detail elsewhere, remain an impasse in terms of results, but the EU has responded by increasing policy dialogue in the area and speaking out (as it has recently) when actions regarding the judiciary are contrary to international standards. All cooperation under DCFTA was informed by thorough trade analyses. The importance accorded to SMEs and VET / skills development corresponded to GoG analyses identifying these as key intervention sectors to stimulate balanced growth and address unemployment.

<i>Evidence</i>	
Overall assessment of quality and credibility of evidence	While there are some sector gaps (e.g., agriculture and integrated territorial development; VET / skills development, Mobility) other sectors examined display good context analysis. Based on documents at hand, evidence for the indicator is assessed as Medium .
<i>Sources of information</i>	<i>Evidence</i>
EAMR 2016	Political risks linked with the parliamentary elections were considered high in 2016 but the stable process, the result and orderly establishment of the new government avoided any major negative impact, including for the EU assistance. Some political risks will continue also in 2017, during the time of the local elections, which might impact cooperation with municipal level. Economic risks on macro-economic level, described in previous chapter, might be present also in 2017. Weakening of the national currency, renewal of the IMF program and external economic impacts, tax reforms and trade could affect overall economic performance and popular support to the pro-EU Governmental policies and related assistance. A constant and omnipresent risk is the potential of "meltdown of the frozen conflicts" in the territory not controlled by the Georgian Government in Abkhazia and in Tskhinvali district (so called South Ossetia or Alania). In 2017, the IcSP project manager post will be cut and the management of IcSP projects will be done at regional

	level, not anymore from the EU Delegation to Georgia. We strongly believe that such sensitive matters require the project manager located in the country, keeping up coordination with other actors in the area such as the EUMM, EUSR or the UN.
EUD Justice Sector needs assessment, 2014	Below is the Expert Team's analysis of the state of affairs in <i>key</i> institutional blocks and cross-cutting relationships. We used various sources to come to the findings, including our own 'fact-finding' exercise, consisting of interviews with various national and international stakeholders in the course of October 2013 to February 2014. We based our findings on the existing EU policy framework with regard to Georgia, including documents attesting implementation of more general initiatives (including the future Association Agreement and ENP Progress Reports), as well as those documents relating more specifically to reforms in the justice and home-affairs sector (including VLAP and its implementation reports). Also importantly, account was taken of the justice sector-related national policies in Georgia, such as the Criminal Justice Reform Strategy and its action plans, in order to ensure that the suggested initiatives are fully locally owned. In some cases, however, we have attempted to itemise or rephrase the relevant domestic policy indicators in order to ensure coherence with European standards/comparative practices in good administration of justice. Finally, we also studied reports and findings by various international organisations and other informed observers regarding gaps between the Georgian law/practice and European standards/ comparative practices - for the sake of brevity and economy, only these additional sources will be indicated in footnotes for each of the relevant institutional blocks and cross-cutting issues.
EUD Justice Sector needs assessment, 2014	<p>The EUD's SJS programme was designed in conformity with a comprehensive structured context analysis and needs assessment. This contained a comprehensive mapping of institutions and issues and, to some extent, referred either explicitly or implicitly to the political economy and incentive structures that underpinned needs identified.</p> <p>Justice sector institutional blocks were defined as:</p> <ul style="list-style-type: none"> • courts and the judiciary governance system; • prosecution (PGO); • Ministry of Justice (MOJ) and Government of Georgia (GOG); • executive criminal and special investigative agencies (MIA, police, customs, financial and other specialised investigative bodies); • Criminal enforcement services (probation/penitentiary); • civil enforcement services; • Bar and legal aid bodies; • notaries and land registration; • Ombudsman (PDO); • Civil Society Organisations (CSOs). <p>In addition, the main justice sector cross-cutting issues and relationships have been defined as:</p> <ul style="list-style-type: none"> • legal education and professional training; • strategic planning, reform coordination, legislative development and performance management; • prevention of corruption; • prevention of ill-treatment; • criminal procedure; • administrative justice; • ADRs; • freedom of information and personal data protection; • justice for children.
Connectivity	

Sources of information	Evidence
<p>Single Support Framework for EU Support to Georgia 2017 – 2020.</p>	<p><u>Connectivity, energy efficiency, environment and climate change (indicative 15% of total budget)</u></p> <p>The following overall and specific objectives will be pursued:</p> <p><u>Overall Objective:</u> to enhance the connectivity in terms of energy and transport, environmental and energy governance, sustainable development of infrastructures and management of resources (including energy) and support for circular economy.</p> <p><u>Specific Objectives:</u></p> <ul style="list-style-type: none"> • To enhance energy efficiency, to increase energy independence including through the energy sector reforms, the promotion of energy efficiency improvements, use of untapped renewable energy sources and boosting investments in low emission technologies (Specific Objective 1); • To build, rehabilitate and upgrade infrastructures and to promote energy interconnections for market development and security purposes (Specific Objective 2); • To develop the circular economy, meet Paris targets on emission reduction and adaptation to climate change, to enhance environmentally-friendly policy making, to support implementation of new EIA/SEA legislation, to enhance capacity for introducing integrated permitting system, promote sustainable production and consumption, to strengthen the capacity for environmental protection and resilience, to support the extension of sustainable waste, wastewater and water management systems as well as recycling facilities and actions to minimise the production of waste (Specific Objective 3); • To enhance the governance of connectivity sector to assist prioritisation of key actions and to deliver on commitments such as TEN-T. This includes investments in transport, water and sanitation, waste management, energy (including energy efficiency) and social infrastructures (Specific Objective 4). <p>For each of the specific objectives the main expected results include:</p> <ul style="list-style-type: none"> • For specific objective 1: reduced seasonal dependence on energy imports, increased supply of energy from renewable sources, increased market competition and transparency, and enhanced energy efficiency in the whole country; • For specific objective 2: stable, affordable and reliable energy supply (energy security) and strengthened domestic production and infrastructure; • For specific objective 3: reduced levels of air pollution, better inclusion of climate change impact in policy making, improved monitoring, collection, management and sharing of environmental data, introduced integrated permitting system, ,elaborated sectoral guidelines and conducted at least one pilot transboundary and strategic environmental assessment, improved water and wastewater municipal infrastructure introduction or upgrade of waste collection systems (including hazardous and medical waste) and better valorisation and minimisation of waste, including improved recycling; • For specific objective 4: implementation of transport interconnection internally and with neighbours, increased capacity to plan, budget and prioritise infrastructure projects according to TEN-T and AA/DCFTA provisions. <p>Donor coordination and policy dialogue are taking place in various formats, both government and donor led, varying according to the thematic area. Directly related with the Association Agreement, important for a of discussion include the Association Committee and the specific sub-committees, which provide an opportunity to strengthen policy dialogue. In addition, for Green Economy and Sustainable Management of Resources there are two AoG donor coordination groups. There is also the Caucasus Biodiversity Council, which is discussed through a regional/transboundary coordination platform supported by the WWF. Interviews with GoG representation during the field phase confirmed that GoG, by way of a dedicated team for donor coordination, seeks to ensure that ‘competition’ between IFIs and development partners does no lead to overlap between donor/financing efforts.</p> <p>The partner country’s authorities financial and policy commitments are described in the revised Association Agenda 2017-2020.</p> <p>When needed the appropriate type of environmental assessment (SEA or EIA) will be carried out according to EU standards. Strategic Environmental Assessments are being developed for energy infrastructure development, notably hydropower. Environmental Impact waste treatment and waste water treatment. Based on framework legislation adopted in June 2017, the EU could support a pilot SEA in this sector.</p>

	<p>The overall risk assessment of the sector interventions is: Risks include further deterioration of political circumstances in the region as well as with Georgia's breakaway regions, continued political polarisation, potential constitutional changes facilitated by general election results, strong opposition of the judiciary to the reform process. This can partly be mitigated by enhanced policy dialogue and by greater use of incentive-based mechanisms.</p>
Road Transport	
<p>Delegation Agreement between EU and EIB in respect of the "Technical Assistance for Georgia Transport Connectivity-Phase 1" financed from the general budget of the European Union under the Neighbourhood Investment Platform ENI/2018/403-497</p>	<p>The Government of Georgia has embarked on a program to upgrade the major roads of the country, which is managed by the Rads Department of Georgia. The main targets of the program for upgrading are major roads in Georgia, such as the East West Highway, which includes the E60 (Tbilisi to Poti) and E70 (parallel to the Black Sea coast in western Georgia from Poti through Batumi).</p> <p>Georgia's road network of 20 327 km consists of i) 1 603 km of main roads; ii) 5 298 km of secondary roads; and iii) 13 426 km of local roads. The country has prioritized E60 East West highway investments under its main road network. Running from the Red Bridge at the Azerbaijan border to Poti port at the Black Sea coast, a distance of about 390 km. E60 East West Highway is part of the extended Trans European Transport Networks (TEN-T) and is a key transit route between Western Europe and Central Asia for transportation of oil and gas, as well as dry cargo. The extended TEN-T route is the shortest route between Europe, Caucasus and Central Asian countries through the Black Sea ports. It is an alternative to the north corridor running through the Russian Federation and Belarus and the southern corridor running through Turkey. This puts a particular onus on improving logistics and transport services within Georgia, but also cross border, along the extended TEN-T. The Georgian Government is committed to completing the E60 East West Highway by 2020 and has in recent years accorded high priority to the upgrading of the corridor to international highway standards (2x2 lanes). It has opted to finance E60 East West Highway by using its own budget and the significant support from International Financial Institutions and it is strongly committed to the timely and full completion of the project, as it is part of its Four Points Reform Agenda.</p> <p>Despite recent achievements, the Georgian road sector still faces a number of challenges:</p> <ul style="list-style-type: none"> i) the Government is planning a significant increase in spending on enhancing the capacity of the road network in response to increasing transport demand, raising from below 2% of GDP annually in the period from 2012-2016 to an estimated 5.2% of GDP in 2019. The Government's capability to implement and maintain this significant expansion is a key challenge currently facing the sector; ii) in a context of increased spending in roads and rising levels of registered motor vehicles, road safety and management of blackspots (through physical improvements and soft measures) are crucial elements for success of the country's road strategy. Road safety is a national priority with roads deaths at 13.9 deaths per 100 000 (2017) representing levels more than twice as high as the EU average and associated socio-economic impact equivalent to an estimated 1% of GDP; iii) road conditions have improved for international roads, but the rest of the network faces significant challenges, as a large part of it is in poor condition. <p>The responsibility for road infrastructure policy and planning in Georgia lies with Ministry of Regional Development and Infrastructure, while the management of the international and secondary roads is the responsibility of its Roads Department of Georgia. The management of local roads is the responsibility of municipalities. Key players for road safety soft measures also include the Ministry of Economy and Sustainable Development for road safety strategy coordination including awareness raising, and the Ministry of Internal Affairs for police enforcement.</p>
<p>Implementation Completion and Results Report IDA-52450: IBRD – 8263 – 4th East West Highway Improvement Project 30/09/2020 (extract):</p>	<p>Georgia's economy has recovered strongly since the double shocks of the financial crisis and conflict of 2008. The steep decline in economic growth from 12.4% in 2007 to 2.3% in 2008, led to a reduction in employment and a rise in poverty, which reached 21% in 2010. However, the country's economic growth rebounded strongly to 7.2% in 2011 and 6.4% in 2012. The growth was mainly due to an increase in exports and tourism and the continued high levels of public investment. The public investment of the Government of Georgia was mainly focussed on infrastructure, with emphasis on improving main road corridors and local connections. The rebound in the growth of the service sector was supported heavily by revenues from transit-related transport (particularly to and from Turkey, Armenia, Azerbaijan and Central Asia).</p> <p>Transport sector development is essential for the achievement of sustainable economic growth, alleviation of poverty, achievement of the Government's regional development strategy objectives and promotion of tourism. Georgia's geographical location positions the country at the center of East-West (Black Sea and Caspian Sea) and North-South (between Russia and Turkey) transit routes, and places it well to become a transit hub. Within this</p>

	<p>context the Georgian Government embarked on the development of the East-West Highway which can be described as a transformational initiative for the Georgian economy. The Highway is part of the Caucasus Transit Corridor (CTC) which is a key transit route between Western Europe and Central Asia for transportation of oil and gas as well as dry cargo. CTC is part of the international and regional corridor TRACECA. The TRACECA corridor is the shortest route between Europe and the Caucasus and Central Asian countries through the Black Sea ports.</p> <p>The East-West Highway corridor is one of the largest transport infrastructure programmes in the country. The corridor stretches some 410 km connecting east to West across the country and cost over US\$2.0 billion to develop. It carries over 60% of the total Georgia foreign trade and is seen as a central piece in the Government's strategy of transforming Georgia into a transport and logistics hub for trade between Central Asia and the Far East on the one hand and Turkey and Europe on the other. In Georgia, the East-West Highway Corridor comprises: i) the E-60 which runs from the border with Azerbaijan to Poti (east) and ii) the E-70 which runs from Poti to Sarpi (border with Turkey). It represents a quarter of Georgia's international road network and accounts for 23% of vehicle utilisation of Georgian roads. The improvement of East West highway Corridor will improve connectivity between the Caspian and Black Sea, lower the cost of transport and logistics and improve Georgia's ranking and connection to global markets.</p>
Aviation	
<p>Twinning contract GE/19 – ENPI/2015/359333 Legal approximation of the Georgian Civil Aviation regulations with EU standards - Partners: Austro Control GmbH (ACG) & Croatian Civil Aviation Agency (CCAA) – Final Report</p>	<p>During the last years, Georgia has gone through a comprehensive review of the air transport sector, including a reorganisation of the institutional framework that resulted in the separation of the functions of policymaking, technical regulation and operation of infrastructure. Both the new institutional arrangement and the new separated entities call for the formulation of a national aviation policy, expressing the Government's objectives with respect to the sector.</p> <p>Along with the reform, the country has experienced an increase in demand for aviation services, which generated an increase of interest from foreign carriers to access the Georgian International market. These trends present new challenges for the civil aviation in Georgia, demanding also the formulation of a policy framework that addresses a liberalised environment that fosters connectivity to the world.</p> <p>The Government determines domestic policy, bilateral agreements with trading partners and international conventions guide a country's international policy. Aviation policies focus on the institutional arrangement that govern the complete air transport sector, namely policy making, technical and economic regulation, operation (airports, airlines and air traffic navigation services) and accident investigation. The policy also focusses on human resource development and environmental issues.</p> <p>After concluding a comprehensive Common Aviation Area Agreement with the EU (signed in 2010, ratified 2011) Georgia was faced with the obligation of transposing around 60 EU Regulations and Directives applicable to Civil Aviation, respectively covering the areas of Market access and ancillary issues, Air Traffic Management, Safety (airworthiness, OPS, Personnel Licensing), Aviation Security, Environment, Social Aspects and Consumer Protection.</p> <p>Coping with the given volume of new regulation required external support from comparable administrations familiar with the EU regulatory dispositions in Civil Aviation and/or transposition process.</p> <p><u>Beneficiary Institutions Involved</u></p> <p>The main Beneficiary Institution (BI) of the project is the Georgian Civil Aviation Agency of the Ministry of Economy and Sustainable Development of Georgia. Relevant experts from the different departments (mainly Transport Policy and Legal) of the Ministry of Economy and Sustainable Development of Georgia (MoESD) are expected to participate in the project.</p> <p>Aviation safety and security are the two most important priorities for the Government of Georgia.</p> <p>All responsibilities for the assurance of safety and security reside with the Georgian Civil Aviation Agency (GCAA). The body is empowered to oversee all technical aspects of the civil aviation sector according to the norms and recommendations of the Chicago Convention of 1944 and its Annexes. As such, the responsibilities of the GCAA include all technical aspects related to oversight and enforcement of compliance with local and international norms, such as ICAO Standards and Recommended Practices (SARPs). Among others, it involves certification of aircraft worthiness, of maintenance facilities, licensing of all aviation personnel (flight and cabin crews, certification of airports, of air navigation services, air cargo terminals and of all service providers related to air transportation. In summary, the scope involves the oversight of all matters with respect to safety and to security (safeguarding against acts of unlawful interference).</p>

Other Related Projects	<p><u>Association Agreement (AA)</u> Georgia initialled the Association Agreement (AA) with EU in November 2013 during the Vilnius Summit. The AA will constitute the main regulatory document in relations between Georgia and the EU as soon as it will be signed and ratified by all the EU MSs.</p> <p><u>The Common Aviation Area Agreement</u> In December 2010, Georgia signed a comprehensive Common Aviation Area Agreement with the EU and took on the obligation to harmonize its regulatory framework and European standards. The Agreement provides for the possibility for Georgia to join the main multilateral aviation agreement with European countries, the European Common Aviation Area (ECAA) signed in 2006.</p> <p><u>EU TRACECA Civil Aviation II Project</u> This EU funded project, implemented by EGIS AVIA aims at supporting the sustainable development of civil aviation in the beneficiary countries, harmonizing regulations and working practices to comply with international standards (ICAO) and EU regulations concerning security, ATM and the environment.</p> <p><u>The TRACECA/EASA Civil Aviation Safety Project</u> Led by the European Aviation Safety Agency, the Project aims at developing an integrated approach towards aviation policy in the TRACECA countries and assists the beneficiary countries in implementing EU and International aviation safety standards.</p> <p><u>Twinning project for the harmonisation with EU norms of the legislation and standards of Georgia in the field of Civil Aviation</u> The project aimed at facilitating the implementation of a Common Aviation Area Agreement which was signed between the EU and Georgia in December 2010, through gradual harmonisation of EU standards in areas of aviation safety and security. It responded to the needs of the target group: the staff of the recently created (at that time) Georgia Civil Aviation Authority (GCAA). Built up on very ambitious definition, the project admitted that it did not achieve all of its planned results. Even though, it made a contribution towards the Overall Objective, creating full awareness on the beneficiary side of the challenges they are facing to fully harmonise Georgian legislation in the field of Civil Aviation safety with that of the EU. It also had considerable impact on the way the GCAA works, with formalised working procedures, management coordination between the different departments and a new quality assurance system. The GCAA cannot be said to have become a mature and properly prepared partner for a successor Twinning project. The project started on 7th April 2011 and ended on 25th April 2013. In order to avoid duplications and seek complementary and added value, coordination will be assured by regular communication with the department "International Cooperation" of EASA regarding above listed and future possible bilateral and regional assistance programmes in the field of civil aviation.</p> <p><u>The EU-Georgia European Neighbourhood Policy (ENP) Action Plan</u> This plan came into force in November 2006 and it defined areas of cooperation relevant to the reform and development of state institutions such as the Ministry of Economy and Sustainable Development. Priority area 8 of the ENP Action Plan reforms in the area of Transport and Energy.</p> <p><u>The National Indicative Programme (NIP) 2011-2013</u> The NIP is an ENP instrument, has as Priority Area 2 the "Trade and investment, regulatory alignment and reform". The sub-priority 2.2. is defined as "Sector specific regulatory alignment and reforms in line with PCA/ENP AP priorities" with the expected results defined as "Integration within European aviation structures and harmonisation with EU aviation (transport) standards to realise the objective of a Common Aviation Area" and "Improvement in aviation safety and security".</p> <p><u>The EU-Georgia Partnership and Cooperation Agreement (PCA)</u></p>
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Energy	
<p>GESR EN1/2018/404204 Georgian Energy Sector Reform (GESR)</p>	<p>The Georgian economy, largely a reflection of both political as well as public will, is undertaking a strategic orientation towards EU economic and political sphere. Energy efficiency (EE) is also one of the pillars of energy sector legislation in the EU and hence also in the Energy Community (EnC) to which Georgia acceded in 2017. In June 2014, the EU and Georgia signed the Association Agreement (AA) which entered into force on 1st July 2016.</p> <p>As a general requirement under the Association Agreement, Georgia shall improve its EE and develop the use of renewable energy sources. It shall take steps towards the integration of Georgia's energy market with that of the EU and strengthen its energy security and regulatory convergence through the implementation of relevant EU legislation applicable to Georgia.</p> <p>Georgia acceded the Treaty establishing the Energy Community through the "Protocol Concerning the Accession of Georgia to the Treaty Establishing the Energy Community" (the Protocol) signed on 14th October 2016 and ratified by the Georgian Parliament on 21st April 2017.</p> <p>In doing so, Georgia committed itself to reform its energy sector by implementing key EU legislation, mechanisms and standards for promoting EE in new and existing buildings. Another outcome of Georgia's accession to the EnC is to approach and eventually participate within the EU's internal (electricity) market. In support of these efforts, the Action with its Road Map of policy reform measures over a period of 4 years (2018-2021) will build on this development.</p> <p>Membership of EnC obliges Georgia to comply with Title II of the Treaty establishing the Energy Community and to meet the timetable for implementing the directives listed in the Protocol. This includes amongst others:</p> <ul style="list-style-type: none"> • The Directive 2012/27/EU on energy efficiency the amending Directives 2009/125/EC and 2010/30/EU and repealing Directives 2004/8/EC and 2006/32/EC with an implementation deadline of 31st December 2018; • The Directive 2010/30/EU on the indication of labelling and standard product information of the consumption of energy and other resources by energy related products (recast) with a deadline of 31st December 2018 and; • The Directive 2010/31/EU on the energy performance of buildings (recast) with a deadline of 30th June 2019. <p>In the area of EE especially in buildings, Georgia's commitments under the AA and the EnC include the implementation of the Energy Performance of Buildings Directive, 2010/31/EU and of the Energy Efficiency Directive, 2012/27/EU. These Directives contain requirements that set forth the guiding principles and mechanisms for promoting EE in buildings either through directly applicable requirements or through more detailed specifications of primary and secondary acts. The implementation of the primary and secondary legislation provides the framework for defining cost-optimal minimum energy performance requirements for new and existing buildings, setting up energy performance certification, calculation methodologies and auditing structures, establishing financing schemes for energy efficiency investments, preparation of building stock inventories and establishment of a climatic database.</p>
<p>EN1/2017/390659 Extension of the Georgian Transmission Network</p>	<p>After a decade of economic decline following the independence of Georgia, the country manages to stabilise its electricity sector in the early 1990s by several important reform processes (e.g. unbundling of the energy sector, privatisation of energy generation and distribution etc). Having experienced frequent blackouts and unstable energy supply up to the beginning of the 21st century, the energy sector is of central importance for the Government of Georgia (GoG) and crucial for the economic development as well as the satisfaction of the population's basic needs.</p>

	<p>The Georgian energy sector is characterised by a high share of hydropower generation (about 80% of total installed capacity). Due to the herewith connected seasonality of generation, Georgia is dependent on energy imports in winter, while its overcapacities in summer can be exported (mainly to Turkey, Russia and Armenia).</p> <p>In order to satisfy the constant growing demand for energy (+15-35% forecast until 2020) while ensuring security of energy supply, the GoG aims at a significant extension of the generation capacities (mainly from hydropower sources), the herewith connected extension of the energy transmission grid as well as the stronger integration of the regional grid with the south Caucasus countries and beyond. Therefore, Georgia needs to meet its obligations for the development of a stable, reliable, cost-effective and efficient transmission system. This system shall ensure the network security, sufficient transfer capacity for the integration of renewable energy sources into the network and power exchange with neighbouring countries. In order to fulfil cross-border transmission, JSC Georgian State Electrosystem (GSE) has elaborated short-term, mid and long-term plans for the network development and documented them in the Ten-Year Network Development Plan (2015-2025) of the energy sector (TYNDP) approved in 2015 and regularly updated. The Action is based on the TYNDP and was suggested by GSE.</p> <p>In June 2014, the EU and Georgia signed the Association Agreement which entered into force on 1st July 2016.</p> <p>As a general requirement under the Association Agreement, Georgia shall reinforce its energy infrastructure network and interconnections, in particular with regards to the electricity grid. Georgia shall also improve its energy efficiency and develop the use of renewable energy sources. It shall take steps towards the integration of Georgia' energy market with that of the EU and strengthen its energy security and regulatory convergence through the implementation of relevant EU legislation applicable to Georgia.</p> <p>Georgia acceded the Treaty establishing the Energy Community through the Protocol Concerning the Accession of Georgia to the Treaty Establishing the Energy Community (the Protocol) signed on 14th October 2016 and ratified by the Georgian Parliament on 21st April 2017.</p> <p>Membership of Energy Community obliges Georgia to comply with Title II of the Treaty establishing the Energy Community and to meet the timetable for implementing the directives listed in the Protocol. For example, the Directive 2005/89/EC of the European Parliament and of the Council of 18th January 2006 concerning measures to safeguard security of electricity supply and infrastructure investment, to be implemented by end of 2019, requires: i) security and continuity of electricity supply to ensure the proper functioning of the electricity system; ii) an adequate level of interconnections between Member States; iii) an adequate level of generation capacity and balance between supply and demand. It also requires reduction of the long-term effects of growth of electricity demand, respectively, continued renewal and development of transmission network.</p> <p>In conclusion, the EU established obligations to safeguard the security of supply by undertaking significant investments in electricity networks.</p>
Europe 2020 Programme Single Donor Trust Fund – C-387351	<p>Georgia has committed to carry out electricity market reform under an agreement reached with the Energy Community, as outlined in the Energy Community Acquis. The country is expected to implement a new electricity trading arrangement under the new market as early as 2018. The new market model in combination with large investments into generation and transmission will require a substantially higher end user tariff.</p> <p>Georgia received substantial benefits from the transit of natural gas from Azerbaijan to Turkey and from Russia to Armenia – these benefits are in the form of below market-priced natural gas. Georgia blends this gas with more expensive market-priced gas. The blended gas is supplied to residential consumers and uses for thermal generation. This arrangement allows Georgia to keep electricity and gas tariffs at a relatively low level. Despite below-market priced energy, a large part of public and private buildings is under-heated leading to substantial economic and social costs. The under-heating is further exacerbated by very low heating efficiency in the buildings.</p> <p>There is therefore a need to understand and quantify the existing social, economic and financial costs of under-heating in the country, in order to inform Government of Georgia's policy choices, including energy efficiency and social protection mechanisms.</p> <p>The energy tariff which is expected to be increased during the next few years will present a challenge to households, public buildings and businesses, which may choose to under-heat their homes in an effort to keep bills affordable, particularly if they are connected to piped natural gas. There is therefore a need for Government to identify and implement measures to support consumers, such as alternative tariff structures, social protection mechanisms and energy efficiency measures to mitigate the social and economic impact of the increase and improve the efficiency of the transfer of benefits from the gas transit to consumers. Accordingly, a comprehensive analysis of the economic and social impacts of under/heating is required to design and implement a set of effective policy measures.</p>

<p>EN1/2017/392880 Biomass Energy and Energy Efficient Technologies as a sustainable energy solution for Georgian CoM signatories.</p>	<p>In spite of their active participation in Covenant of Mayors (CoM) policy the Georgian municipalities still lack managerial and technical capacities in developing sustainable energy projects, experience in implementation of full-size sustainable investment projects, suffer from limited local budget and incomplete procurement procedures.</p>
<p>Programme for Energy Efficiency in Public Buildings in Georgia EN1/2019/412866 (KfW part) EN1/2019/412869 (EBRD part) – Description of the Action.</p>	<p>Based on energy balance data, in 2016, fossil fuels accounted 69% of primary energy consumption in Georgia. Almost all fossil fuels are imported from neighbouring countries. However, electricity is largely generated by domestic hydropower. Domestic firewood although considered that it leads to deforestation is an important domestic energy source for buildings. According to the Food and Agriculture Organisation the forest cover has been considerably reduced in the last thirty years, one reason being illegal harvesting of firewood.</p> <p>The energy performance of the Georgian building stock is very low due to its age, construction standards and limited renovation efforts. The lack of modern energy performance regulation and limited availability of Energy Efficiency (EE) materials and services further contributes to a high energy consumption (30% of the country's total energy consumption is attributed to the whole building sector including public, residential and commercial buildings). It is estimated that public buildings represent approximately 4% of the building sector energy consumption.</p> <p>During the preparation study a preliminary building inventory has been established covering around 70% of all public buildings. Key findings of the assessment of the inventory include:</p> <ul style="list-style-type: none"> • 68% of the buildings belong to the education sector followed by office and administration buildings with 10%; • 26% of buildings are built between 1940-1970 and 39% between 1970 and 1990; • Most of the buildings are built of bricks while around 27% are made of concrete panels; • 32% of buildings are heated by gas and 9% by coal, diesel, or electricity; • 38% of buildings use firewood for heating or partial-heating. <p>Since 2010 only 320 buildings have been completely renovated, rebuilt, refurbished or newly built.</p> <p>For schools, energy demand typically ranges between 140 and 280 kWh/m² depending on the climate zone. However, a huge variation could be found due to different state of repair of buildings.</p> <p>Affordability concerns combined with low energy performance in buildings cause the common issue of under-heating. The preparatory study estimated that more than 50% of all public buildings face indoor temperatures below comfort level, impacting health and safety of building occupants. Inappropriate heating, cooling and other appliances combined with limited control and regulation lead to unsatisfactory energy and building performance. In addition, the preparatory study also indicated a need for structural improvements in many buildings to ensure their structural integrity and extend their lifetime. The awareness of citizens (and decision makers)³ for EE and its framework limit a greater adoption of EE in new constructions and in buildings renovation, resulting in a limited market for buildings materials, equipment and practices. Also interviews with implementation partners suggesting that the adoption of higher standards as a 'single step' is presenting implementation problems and that a staged approach may be more practical.</p> <p>Several small-scale EE projects have been considered by the Government of Georgia (GoG). Accordingly, there is only limited progress in implementing EE in the outdated building stock and a capacity deficit in government institutions to adequately design and implement a holistic EE renovation remains. However, demonstration projects including an initiative led by KfW to renovate up to 25 public buildings (mostly kindergartens) in Batumi will deliver substantial inputs and provide feedback for the Action.</p> <p>Critical obstacles are the unsatisfactory regulatory and legal framework for EE and an immature market for advanced EE technology and services. However, with strong donor assistance the GoG is in the process of transposing Energy Performance of Buildings Directive (EPBD, Directive 2010/31/EU) and issuing a new construction code with EE provision. Thereby, the NIP Georgian Energy Sector Reform Project (GESR) consisting of a policy-based loan scheme led by KfW with EU funded technical assistance is a key element of the reform activities. Interviews with stakeholders during the field phase have revealed consensus that the policy-based loans approach (energy sector) is becoming increasingly effective in providing incentives for performance albeit those opinions vary in enthusiasm⁴. This concept, perceived to be similar to like budget support, is characterised as <i>'a road map agreement – to build a framework – common ground for many actors in Georgia and as a living document which is then broken down into</i></p>

³ Interviews with implementers suggested that such lack of awareness of decision makers in government was a factor in implementation delays

⁴ A range of opinion from 'It is not ideal but it seems to be working' through '...satisfactory feedback' to '.....shining case of climate response success story'

	<p><i>specific triggers (for disbursement)</i>'. Overall PBL is considered to be beneficial for the energy sector, not only about adoption of legislation and regulations but also the critical steps of the implementation and institutional components although national capacity issues are identified as an inhibitor to effectiveness.</p> <p>The adoption of relevant EE legislations according to the EU-Georgia Association Agreement (AA) and the Protocol on the Accession of Georgia to the Energy Community Treaty are conditions in the trigger matrix of the policy-based loan. In addition to the conditionality⁵ in the GESR package. KfW and the Organisation are continuously engaging with the GoG to highlight the necessity of the adoption of relevant legislation and strengthen the connection to the improved EE framework with the Action. The Action can be seen as phase 2 of the policy support to translate advanced EE standards into practice. It builds on the policy activity under the GESR and creates the market for increased EE adoption. Although the Government has expressed its commitment to adoption of EE standards, including in the AA, Energy Community Treaty and draft National Energy Efficiency Action Plan, public funding for energy efficient rehabilitation of buildings is scarce due to increased investment costs required for deep renovations, limited value chain for EE technologies and materials and limited understanding of EE benefits.</p>
Environment & CC	
EU+ Joint Approach to Programming in Georgia	<p>The EU+ Joint Approach to Programming in Georgia provides evidence on sector context analysis, alignment with the priorities of Georgia and coordination of the donors. Sector strategy fiche on Sustainable Use of Natural Resources describes ongoing national reforms, objectives of national policies and strategies, sub sub-sector challenges to be addressed and proposed EU+ response. It includes sector context and assessment of GoG policies/ strategies/ interventions. It presents overview of current and planned donor sector engagement per sub-sector. There is an evidence that the SPP derive from the up-to date context analysis. The priority sectors of SFF reflect the revised ENP and Association Agenda and are coherent with the Eastern Partnership priorities set in the "20 Deliverables for 2020".</p> <p>The EU+ Joint Approach to Programming in Georgia provides detailed analysis of the context, national policy objectives and alignment of the EU+ joint approach. For example it lists the following national policy objectives: National Environmental Action Programme II targets in 11 areas disasters, climate change, waste and chemical substances, nuclear and radiation safety, water resources, ambient air, Black Sea biodiversity and protected areas, land resources, forestry and mineral resources. Waste Management Code and National Waste Management Strategy (2016-2030) and Action Plan (2016-2020) is structured around relevant issues and touches upon hazardous and non-hazardous waste collection, transportation, recovery and disposal issues, as well as obligations on waste management planning, accounting issuance of permits, registrations and control issues.</p> <p>The Government's six thematic sectors for donor coordination offer a useful framework to address the specific challenges facing the country. The thematic sector Sustainable Use of Natural Resources considers potential to move towards a low-emission and climate-resilient economy, more sustainable production and consumption, as well as better waste management in line with circular economy principles. While Government is in the process of adopting EU standards with work on waste, environmental and biodiversity protection, forest management, energy efficiency and water management legislation underway or mapped out, Georgia remains heavily reliant on energy imports, lacks solid and comprehensive regulatory frameworks for energy, environment and climate protection, and has a neglected water and waste infrastructure. At the same time Georgia has a potential for renewables, mostly from hydro resources, but also from largely untapped resources such as wind, solar, geothermal and biomass. There is a significant scope for energy efficiency measures to have both positive climate and economic impacts and minimum impact on environment.</p>
SWD (2016) 423 Association Implementation Report on Georgia	Georgia is approximating to EU environmental standards. A number of laws and policy papers were adopted including: a new Waste Management Code, a Waste Management Strategy and new rules on the export and import of dangerous chemicals. An Environmental Assessment Code, a Water Law, a by-law on Air Quality Standards, as well as draft Basel Law are being drafted. Environmental standards and legislation need implementation and enforcement. High levels of air pollution persist, mainly relating to transport.
SWD(2017) 371 Association Implementation Report on Georgia	Overall, the implementation of commitments stemming from the Association Agreement, including its Deep and Comprehensive Free Trade Area (DCFTA), have continued in keeping with agreed timelines. The revised Association Agenda is to be adopted in early November.

⁵ Interviews with GoG representation during the field phase noted that GoG has engaged with various development partners concerning adoption of international norms, standards and regulations, in some cases agreeing on use of higher standards than actually required under Georgian national legislation. Interviews with implementation partners confirmed these statements although also suggesting that the adoption of such higher standards as a 'single step' is presenting implementation problems and that a staged approach may be more practical.

	<p>The new Single Support Framework contributes to the implementation of the Association Agreement and to supporting key structural and institutional reforms, in particular in the field of the economic and business environment</p> <p>On environment, Georgia is progressing in the legal approximation process under the Association Agreement. Following the adoption of the Waste Management Strategy and related by-laws, including on import and export of dangerous chemicals, the implementation of the National Strategy is on track in particular on commitments to invest in new landfills respecting EU standards, including for hazardous waste management, and on the finalisation of Municipal Waste Management plans. In June 2017, Georgia adopted a new Environmental Assessment Code to regulate project procedures by means of Environmental Impact and Strategic Environmental Assessments (EIA and SEA), which will ensure public access to environmental information and public participation. Furthermore, Georgia has also developed a new water law and a by-law on air quality standards, for which adoption is also foreseen in 2017.</p>
Single Support Framework (2017-2020)	<p>The priority sectors reflect the revised ENP and Association Agenda and are coherent with the Eastern Partnership priorities set in the "20 Deliverables for 2020". The priorities are in line with the Georgian Governments 4 Point Action plans strategic objectives that include Economic Development; Spatial Planning; Good Governance and Education.</p> <p>The choice of priority sectors was guided by the Joint Programming exercise, and recently embodies into a Joint Strategy on six sectors as well as with the key global policy goals set by Agenda 2030 and the Paris Agreement on Climate Change.</p> <p>The lessons learned from implementation of the ENPI 2007-2013 and the ENI 2014 -2016 informed the programming of the SSF such as: the need to programme assistance within the framework of clear national sector strategies, supported by costed Action Plans and evidence of ownership by the Government; the importance of a sustained policy dialogue, the importance of mainstreaming cross-cutting issues – environment and climate change.</p>
Action Document for The EU Resilience Facility	<ul style="list-style-type: none"> • Context description including situation on environment and climate change • With the adoption of the EU-Georgia AA, Georgia undertook numerous commitments in the sector of environment which constitute a very large chapter of the EU-Georgia Association Agreement. • The third National Environmental Action Programme 2017-2021 (NEAP-3)⁹ which was approved by the Government of Georgia in 2018 is highly influenced by the commitments included within the EU-Georgia Association Agreement but also by the UN SDGs and the obligations stemming from the international treaties Georgia is a party to. The NEAP-3, which was developed with the financial support of the EU, identifies the environmental priorities of Georgia and establishes the strategic long-term goals, targets and activities required to improve the environment over the next five years. The ultimate objective of the environmental policy is to promote a sustainable and balanced development where the quality of the environment is considered at a par with all socio-economic challenges.

I-1.1.3 Degree to which overall and sector level cooperation objectives (short-, medium- and long-term) and the related population needs (incl. those of vulnerable groups) that they were expected to respond to were clearly identified.

While overall and specific objectives are invariably spelled out in policy and programming documents, there is seldom strict delineation made between short-, medium, and long term ones. A welcome innovation was the inclusion of short- and medium-term priority areas for cooperation in the 2017-2020 Association Agenda, to which the SSF is the response. While not a perfect substitute for articulation of time frames in strategic and programming documents, this provides a framework to identify areas of intervention that should be pursued now and those better pursued some years hence. In PAR and PFM, priority objectives are informed by international advisory groups (i.e., OECD/SIGMA and PEFA assessments), and the GoG reform agenda supported by EU budget support responded accordingly. Some objectives are inherently short- or long-term by nature, and no explicit labelling is necessary. Among the former are provision of TA and capacity building; among the latter strengthening the rural economy and reducing regional disparities. In areas where vulnerable groups are particularly relevant, e.g. ethnic minorities in agriculture and rural development or youth in VET / skills development; women, sexual minorities, the disabled, and other populations discriminated against. Particularly in the VET sector needs were periodically re-assessed against the backdrop of institutional changes. In RoL and HR, they are explicitly identified. The Council of Europe and

particularly its Venice Commission have identified priority areas for reform in the areas of RoL, HR, and democracy. An entire initiative in RoL dealt with child-friendly justice, in addition to which, there were substantial initiatives in the area of prisoner rights, rehabilitation, resocialisation, etc. See also I-2.2.3 for a discussion of the EU's long-term perspective.

<i>Evidence</i>	
Overall assessment of quality and credibility of evidence	Based on the number of strategic and programming documents reviewed, the evidence for this indicator is assessed as Strong .
PAR	
<i>Sources of information</i>	<i>Evidence</i>
Association agenda 2017-2020	The present document updates and refocuses the 2014-2016 Association Agenda and sets new priorities for joint work for the period 2017-2020. It distinguishes between short-term priorities (which should be achieved or on which significant progress should be made by end 2018) and medium-term priorities (which should be achieved or on which significant progress should be made by end 2020).[...]
Association Agenda 2017-2020	<p>Anti-corruption, public administrative reform and public service</p> <p><u>Short-term priorities</u></p> <ul style="list-style-type: none"> • Continue combating corruption, and ensure effective implementation of relevant international legal instruments, such as the UN Convention Against Corruption, and the Criminal Law Convention on Corruption and its Additional Protocol, as well as of recommendations of the Council of Europe's Group of States against Corruption (GRECO) and the recommendations of the OECD-Anti-Corruption Network for Eastern Europe and Central Asia; • Improve citizens' right to information as one of key measure to effectively prevent corruption; • Continue strengthening capacity of existing oversight, audit and financial investigation bodies; • Continue inclusive policy making with participation of citizens and dialogue between civil society and national and local authorities; • Reinforce oversight capacities of the parliament by improving capacity of sectoral committees. • Continue implementation of the Public Administration Reform Roadmap and strengthen coordination, monitoring and reporting on the Roadmap and underlying strategies both at political and administrative level; • Implement the new civil service legal framework to ensure a more professional and merit-based civil service. <p><u>Medium-term priorities</u></p> <ul style="list-style-type: none"> • Continue ensuring effective implementation of the Anti-corruption National Strategy and the relevant Action plan to prevent, detect and address corruption, especially complex corruption; • Continue ensuring an effective investigation of alleged cases of corruption and create an effective system for the prevention of the conflict of interest; • Update the Public Administration Reform Roadmap and underlying strategies in line with the Principles of Public Administration; • Foster an accountable, efficient, effective, transparent public administration and build merit-based and professional civil service; • Strengthen governance and public administration reform at local level in line with European standards.
Public Administration Reform Roadmap 2020, pp. 26-7	While citizen participation in policy making is one of the priorities of the OECD/SIGMA Principles of Public Administration that inform the EU-Georgia Association agenda, the PAR Roadmap has limited references to open and inclusive public participation. It does, however, stress the need for direct public participation in the design and delivery of public services, so that the latter are developed around the needs of the users. In addition, the PAR Roadmap underscores the importance of establishing unified legal framework and administrative procedures for all service delivery agencies, so as to

	ensure “legality, equity, equal treatment, proportionality, lawful exercise of discretion, openness and transparency, impartiality, objectivity, and due diligence.
PFM	
<i>Sources of information</i>	<i>Evidence</i>
See PFM sources in indicator 1.1.1 Public Expenditure and Financial Accountability (PEFA) assessment Public Expenditure and Financial Accountability (PEFA) assessment, conducted between 2012-13 review (‘Georgia, PEFA, Public Expenditure & Financial Accountability assessment’, 2012 assessment, World Bank, September 2013 (hereafter PEFA, 2013).	With regard to the government, a ‘Public Financial Management Strategy, 2014-2017’ was adopted by the government at the end of 2013 to address the findings of the ‘Public Expenditure and Financial Accountability’ (PEFA) assessment, carried out in 2012. Thus, the objectives of the strategy were clearly in line with the country’s needs as identified in the PEFA. A new ‘PFM Reform Strategy, 2018-2021’ was published after the publication of the 2017 PEFA review, which summarises the results that had been achieved to date and includes the deepening of reforms in a number of key PFM areas. Other relevant PFM strategies and measures include the Strategy of the State Audit Office (SAO), 2018-2021, which was adopted in December 2017 and the ‘Road Map 2016–2022’, elaborated by the State Procurement Agency (SPA), while policy coordination and public participation also operate via the PFM Council and the Parliament has been revising internal regulations and procedures to better reflect the enhanced mandate granted by the 2017 constitutional amendments. With regard to the EU, the main objective of the BSP, ‘Support to Public Finance Policy Reforms’ (PFPR) - building on earlier EU assistance to PFM during the period 2007-2013, through two other Budget Support Programmes (focussed on sector budget support) - was to improve efficiency, transparency and accountability of public finance policy and management, principally by directly and publicly involving a higher level of political and institutional responsibilities within the country’s system of checks and balances. The programme envisaged the facilitation of a more informed oversight by non-state actors and citizens. The earlier EU support had extended over two phases, with an overall total allocation of €27 million, and covered strategic budgeting, treasury reforms, establishment of external and internal audits and on the development of a modern Revenue Service, with additional emphasis on sector management and the consultation process in the latter phase.
PFM Reform Strategy, 2018-2021’, was published after the publication of the 2017 PEFA review (‘Georgia, PEFA, Public Expenditure & Financial Accountability assessment’, 2017-18 assessment, World Bank, June 2018, based on 2016 PEFA Methodology (hereafter PEFA, 2018).	A new ‘PFM Reform Strategy, 2018-2021’, was published after the publication of the 2017 PEFA review and covers institutional development and sub-sectoral strategies by the MoF and sub-ordinated entities. The strategy summarises the results achieved so far (evidenced by the assessment of international organisations and business ranking agencies) and includes, <i>inter alia</i> , the deepening of reforms in the following areas: management and results-orientation of the budget and of public investment; International Public Sector Accounting Standards (IPSAS) and accounting and cash management reforms; tax and customs harmonisation with the EU acquis; macro-fiscal planning; public internal financial control; and supervision of private sector financial accounting and reporting. The Strategy benefits from the active participation of civil society and other cooperating partners and includes a set of monitored performance indicators, together with a costed Action Plan. Furthermore, the PFM strategy remains an important component of the ongoing PAR Roadmap and contributes to the ongoing work led by the Administration of Georgia (AoG) for strengthening the overall monitoring and evaluation framework.
Strategy of the State Audit Office (SAO), 2018-2021, which was adopted in December 2017	Strategy of the State Audit Office (SAO), 2018-2021, which was adopted in December 2017; the GoG also recognised the need for improved financial oversight and follow-up of SAO recommendations.
The ‘Road Map 2016–2022’, elaborated by the State Procurement Agency (SPA	To ensure the gradual approximation of Georgian public procurement legislation with the EU acquis. Government policies in the sector also follow the provisions of the Association Agreement (AA), including the Deep & Comprehensive Free Trade Area (DCFTA), while the EU-Georgia Association Committee in Trade Configuration requested the GoG to complete a set of actions in 2018 in the area of Customs, Sanitary and Phytosanitary measures (SPS), Technical Barriers to Trade (TBT) and Public Procurement.
Association Agenda 2017-2020	Public Internal Financial Control and External Audit The Parties will cooperate with the aim to ensure the development of public financial control and external audit by:

	<p>Short-term priorities</p> <ul style="list-style-type: none"> - Further develop the internal control system under decentralised managerial responsibility, including functionally independent internal audit in state authorities by ensuring harmonisation with generally-accepted international standards, frameworks and EU good practice; <p><u>Medium-term priorities</u></p> <ul style="list-style-type: none"> - Continue to improve the internal control and internal audit system in the public sector in line with a gap assessment between actual practice and generally accepted international standards, frameworks and EU good practice; - Ensure further development of the external audit function of the Court of Accounts (State Audit Office of Georgia), in line with generally-accepted international standards (INTOSAI). <p><u>Taxation</u></p> <p>The Parties will enhance and strengthen cooperation aimed at the improvement and development of Georgia's tax system and administration, based on EU and international standards, including preparation for gradual approximation to the EU acquis and international instruments as laid down in the relevant annex of the Association Agreement, in particular by:</p> <ul style="list-style-type: none"> - Improving and simplifying tax legislation; - Improving international tax cooperation in order to enhance good governance in the tax area i.e. the principles of transparency, exchange of information and fair tax competition; - Improving capacity of the tax administration, in particular by moving towards a more focused, risk based system for tax control and audits; - Taking measures to harmonise policies in counteracting and fighting fraud and smuggling of excisable products; - Developing cooperation with the tax administrations of EU Member States by exchanging new experiences and trends in the field of taxation.
Agriculture & rural development	
<i>Sources of information</i>	<i>Evidence</i>
Strategy for Agricultural Development in Georgia (SADG), 2012-2022, February 2012.	The main sector objective for the Government was the 'development of agriculture through strengthening of smallholder households and forming of profitable production chains'
EU-Georgia Association Agreement	The EU-Georgia Association Agreement committed Georgia 'to promote agricultural and rural development, in particular through progressive convergence of policies and legislation', including sharing knowledge and best practices of rural development policies to promote economic well-being for rural communities and 'enhancing the administrative capacities at central and local level to plan, evaluate, implement and enforce policies in accordance with EU regulations and best practices'.
Single Support Framework (SSF) for EU Support to Georgia (2014-17)	One of the SSF, 2014-2017, specific objectives was 'to improve the competitiveness of the agricultural sector' by means of increasing the volume and value of outputs in the sector, increasing the access to knowledge on improved agriculture technologies by small farmers and to increase the percentage of small farmers in commercial farming.
ToR, Evaluation of ENPARD 1 (cooperatives), and ENPARD II & III)	As an overall objective, the ENPARD programme aimed to increase food production in Georgia, reduce rural poverty and to support the implementation of the sector strategy.
ENPARD I, FA, TAPs	The overall objective of the ENPARD 1 programme (SPSP) was to increase food production in Georgia, reduce rural poverty and to support the implementation of the sector strategy. The specific objective also included strengthening small farmers' organisations. These are all medium- to long-term objectives.
ENPARD II AD	The overall objective of ENPARD II was to assist the Government in eradicating poverty, promoting sustainable and inclusive growth, and consolidating and improving democratic and economic governance. The specific objective was to promote agriculture and rural development policies and reforms

	and to improve the delivery of related services to help address the basic needs of the rural population in Georgia. These are all medium- to long-term objectives.
ENPARD III AD	The overall objective of ENPARD III is to assist the Government in eradicating poverty, promoting sustainable and inclusive growth, and consolidating and improving democratic and economic governance. The specific objective of ENPARD III is to promote inclusive and sustainable growth and development, creating employment and livelihoods for the poor and excluded. (This last point also emphasises inclusivity and addresses the needs of the more vulnerable groups) These are all medium- to long-term objectives. The overall aim of both ENPARD II and III was to enhance competitiveness and sustainability of the agriculture sector and improve employment and living conditions in rural areas through the diversification of the rural economy.
ENPARD IV AD	<p>ENPARD IV focuses on inclusivity and the vulnerable as it aims to improve the economic and social integration of vulnerable households in disadvantaged rural regions of Georgia, including eco-migrants, conflict affected people, ethnic minorities, Georgian returnees and migrants. The action will continue to enhance civic participation in the regions of Georgia through increased civil society involvement in local decision-making processes and will continue to actively promote and encourage participation of youth and women, noting the specific needs and constraints of these groups.</p> <p>ENPARD IV aims to improve the economic and social integration of vulnerable households in disadvantaged rural regions of Georgia, including eco-migrants, conflict affected people (IDPs and their host communities), ethnic minorities, Georgian returnees and newly arrived migrants, using the EU's LEADER approach and promoting LAGs. This is intended to further enhance civic participation in the regions through increased civil society involvement in local decision-making processes by actively promoting and encouraging participation of youth and women. In line with the EU engagement policy towards Georgia's breakaway region of Abkhazia, ENPARD IV activities in rural development and/or food safety will also be implemented in that region, in accordance with the crisis declaration. Thus, all citizens needs are being taken into account in the short and medium term.</p>
Association Agenda 2017-2020	<p>Agriculture and Rural Development</p> <p>The Parties will cooperate on:</p> <p><u>Short-term priorities</u></p> <ul style="list-style-type: none"> • Adoption of the Rural Development Strategy of Georgia 2017-2020 and its implementation. <p><u>Medium-term priorities</u></p> <ul style="list-style-type: none"> • Modernising and improving the efficiency of institutions responsible for agriculture development, including through participation of all relevant sector stakeholders in this process; • Facilitating the gradual adoption of marketing standards for agriculture products to support a higher food safety and the implementation of quality schemes; • Improving the competitiveness and sustainability of agricultural production, by fostering economies of scale via market-oriented agriculture cooperatives, by developing advisory and extension systems to increase production and augment exports; and by easing access to viable credit and financial resources for agriculture; • Supporting the development of efficient value chains and supporting SMEs to increase their competitiveness in selected sectors with high export value; • Moving towards the progressive convergence and implementation of effective agricultural and rural development policies, on the basis of proven EU models; • Enhancing employment and living conditions in the rural areas through improved management of natural resources, improved services and infrastructure and diversification of the rural economy; • Supporting the promotion of Georgian agricultural products
Justice, Rule of Law, democratic governance, and human rights	
<i>Sources of information</i>	<i>Evidence</i>

SSF 2014-2017	<p>The overall objective is a fair and efficient justice system in line with principles of Rule of Law and the protection of Human Rights with increased access to justice for Georgian citizens.</p> <p><u>The specific objectives are:</u></p> <ul style="list-style-type: none"> • to improve the criminal justice sector with due attention to human rights protection; • to implement a zero- tolerance policy against ill-treatment and to promote Human Rights in the justice sector; • to assist the Georgian Government to reform its civil and administrative justice system and to bring it into line with international standards and conventions; • to strengthen the institutional and human resource capacities of the judiciary and to ensure training, • to ensure the independence, efficiency and professionalism of the judiciary and of Prosecution; • to increase access to justice and legal aid for vulnerable people.
SSF 2017-2020	<p>Overall objective: enhancing Governance, consolidating Rule of Law and addressing security.</p> <p><u>Specific objectives are:</u></p> <ul style="list-style-type: none"> • to enhance the quality and effectiveness of the Government and the Parliament functioning and actions : to consolidate Public Administration reform in line with the Principles of Public Administration; to enhance the Government's and the Parliament's inclusive and evidence-based policy, based on reliable official statistics and legislative development and decision making capacities; to further improve public finance policy processes as well as transparency, accessibility and quality of Government services; to promote gender equality in human resource management; to strengthen the structures and processes of local governance; to strengthen the fight against corruption including by supporting the effective implementation of the Georgian anti-corruption strategy; to promote a rights based approach encompassing all human rights with particular attention to the rights of vulnerable groups, including women, youth, people with disabilities and minorities (Specific Objective 1); • to strengthen Rule of Law and the Justice system: to improve access to justice and legal aid for vulnerable people; to establish zero-tolerance policy against ill-treatment; to strengthen the institutional and human resource capacities in the justice sector, including criminal justice, prosecution, investigation, and penitentiary reforms; to support the implementation of the 3rd wave of judiciary reforms; to improve independence and impartiality of the judiciary and to fight any forms of corruption in the justice system; to assist the Government in further aligning its legal system with European rules and best practices in particular on disputes, registries and legislation related to the business sphere; to support the implementation of the Human Rights Strategy and Action Plan (Specific Objective 2); • to enhance resilience and address security: vis-à-vis hybrid threats, natural or industrial disasters and through strengthening security sector reform (incl. in the field of cyber security and organised crime); to strengthen the fight against money laundering ; to step up EU's policy of engagement and non-recognition towards the breakaway regions and promote confidence and peace building measures (Specific Objective 3).
Association Agenda 2017-2020 Council Recommendations	<p>Continue ensuring the democratic conduct of elections, also for the local elections of October 2017, by addressing within the new electoral cycle remaining shortcomings in the legislative framework and election administration as identified by the Inter-Agency Task Force on Free and Fair Elections (IATF) and Organisation for Security and Co-operation in Europe (OSCE) / Office for Democratic Institutions and Human Rights (ODIHR), in particular the recommendations of the ODIHR Election Observation Mission report after the 2016 parliamentary elections; 23.12.2017 L 344/72 Official Journal of the European Union</p> <ul style="list-style-type: none"> • Continue ensuring that legislative amendments affecting key components of the rule of law, such as the independence of the judiciary are subject to comprehensive consultation domestically and, as the case may be, with the Council of Europe's Venice Commission to ensure that they stand the test of time and meet European standards, particularly in the case of the planned amendments to the Georgian constitution, where cooperation between the Venice Commission and the Georgian Constitutional Commission is paramount; — Further improve the balance of power between different branches of government and capacities of parliament to perform its oversight and legislative functions.
Association Agenda 2017-2020 Council Recommendations – short-	<p><u>Short-term priorities</u></p> <ul style="list-style-type: none"> • Develop and gradually implement the Judicial Strategy and its action plan, which among other issues will cover improvement of the policy and practice of the appointment, promotion and training of the judges, a particular focus on human rights and provide adequate resources to ensure proper judicial competencies; further promote independence of the High School of Justice, notably through enhanced capacities;

<p>and medium- term priorities, Justice Sector</p>	<ul style="list-style-type: none"> • In particular, improve effectiveness of the High Council of Justice inter alia by ensuring its independence as well as its accountability; • improve the system of judicial accountability by implementation of clear and exhaustive disciplinary rules which are effectively enforced as well as by guaranteeing professionalism and integrity of judges; • Streamline institutional structure of general courts, including where necessary, by introducing specialized panels and chambers and reduce case backlogs in civil divisions of general courts; • Develop electronic case allocation system and improve electronic case management program in order to raise trust towards the judiciary; • Continue the reform of the Prosecutor's office aiming at further ensuring independence of prosecutorial work from any undue influence and greater transparency and accountability; • Continue reforming the Criminal Code with the objective of liberalisation of sentences and modernisation of the law and ensuring its full compliance with relevant EU and international standards; • Further improve legislative and institutional frameworks for providing high quality free legal aid as well as payable legal services; • Continue ensuring fair trial, access to justice and procedural rights in criminal proceedings in accordance with Georgia's obligations under the European Convention of Human Rights, the case-law of the Court and other relevant Conventions of the Council of Europe by fully: <ul style="list-style-type: none"> ○ guaranteeing the procedural rights of accused persons in criminal proceedings; ○ guaranteeing the rights for victims of crime, including hate crime, for access to justice, protection, support and compensation • Introduce fair and efficient, and more widely used, alternative means of dispute settlement; • Implement rehabilitation and re-socialization approaches in the Penitentiary and Probation Systems and beyond in order to prevent re-offending and maintain a proper balance between ensuring public order and security and guaranteeing human rights protection. <p><u>Medium term priorities</u></p> <ul style="list-style-type: none"> • — Modernize legislations in the commercial, civil and administrative areas in line with national strategies and EU acquis; • Ensure inclusive access to justice by an adequately funded Legal Aid Service.
<p>Association Agenda 2017-2020 Council Recommendations – short-term priorities, Law Enforcement</p>	<p><u>Short-term priorities</u></p> <ul style="list-style-type: none"> • Increase the accountability and democratic oversight of law enforcement agencies. Complaints against the police will require a professional, effective mechanism for credible response. Consider taking further measures to promote independent and effective investigation of complaints against law enforcement officials. Provide a comprehensive professional training of law enforcement officers on ethical standards and the human rights as guaranteed by the European Convention of Human Rights; • Further expand application of alternatives to imprisonment, by introducing new non-custodial sentences and increasing the capacities of the probation service.
<p>Association Agenda 2017-2020 Council Recommendations – short- and medium-term priorities, Human Rights and Fundamental Freedoms</p>	<p><u>Short-term priorities</u></p> <ul style="list-style-type: none"> • Actively implement the National Human Rights strategy and action plan including the specific recommendations of UN bodies, OSCE/ ODIHR, the Council of Europe / European Commission against Racism and Intolerance (ECRI) and international human rights organisations notably in implementing anti-discrimination policies, protecting minorities and private life and ensuring the freedom of religion; • Continue effective implementation of the anti-discrimination law to ensure effective protection against discrimination; • Take steps towards signature, ratification and transposition into national legislation of relevant Council of Europe instruments in the fight against discrimination, including the Council of Europe Convention on preventing and combating violence against women and domestic violence, the so-called Istanbul Convention and towards implementation of UN Convention of the Rights of Persons with Disabilities into national legislation; • Strengthen access to reproductive and sexual health, information and prevention, and continue fight against harmful practices directed against women, including genital mutilation and other forms of degrading treatment, in particular in rural areas. <p><u>Medium-term priorities</u></p> <ul style="list-style-type: none"> • Maintain effective pre- and non-judicial mechanisms for both dispute settlement and the protection of human rights;

	<ul style="list-style-type: none"> • Continue to promote and raise awareness on human rights and anti-discrimination in the judiciary, law enforcement, administration including by conducting respective trainings; • Continue to strengthen media pluralism, transparency and independence in line with Council of Europe recommendations; • Take the recommendations of the Public Defender's Office (PDO) into account in policy-making and provide adequate resources and strengthen the PDO office; Cooperate with the Public Defender on its recommendations related to discrimination cases and the effective functioning of the institutional mechanism foreseen in the anti- discrimination law also by amendments to the legislation; • Continue building monitoring capacities of the Parliamentary Committee on Human Rights and Civil Integration as well as on legal issues linked to the implementation of the Human Rights Strategy and Action Plan; • Cooperate with Civil Society Organisations (CSO) and the representative social partners (trade-unions and employers' organisations) as stakeholders and watchdogs in areas prioritised by the EU-Georgia Association Agreement (AA), including labour rights, privacy, rights of persons belonging to minorities and other vulnerable groups and media freedom; • Ensure compliance with the standing provisions of the Council of Europe on the European Charter for Regional or Minority Languages
Association Agenda 2017-2020 Council Recommendations – short- and medium-term priorities, III Treatment and Torture	<p><u>Short-term priorities</u></p> <ul style="list-style-type: none"> • Adopt the anti-torture Action Plan for 2017-2018 and continue taking further measures to combat ill-treatment and torture, and step up efforts in order to combat impunity; • Ensure a thorough, transparent, independent investigation into any allegation of the use of torture and ill treatment in the penitentiary system, police, military and other closed facilities by establishing independent investigative mechanism to investigate allegations of ill treatment by law enforcement bodies; • Continue to support and engage with the National Preventive Mechanism (NPM) under the Public Defender's Office to prevent abuse through ensuring its effective functioning; <p><u>Medium-term priorities</u></p> <ul style="list-style-type: none"> • Continue efforts to improve the penitentiary healthcare system and prisoners' access to health care including mental health care services. Build capacities and empower health care staff working in -or for- closed institutions in the denouncing and reporting of ill-treatment; • Further strengthen effective internal and external monitoring of the penitentiary system, police, military and other closed facilities for the early detection and prevention of abuse and ill-treatment.
Association Agenda 2017-2020 Council Recommendations – short- and medium-term priorities, Equal Treatment	<p><u>Short-term priorities</u></p> <ul style="list-style-type: none"> • Enhance gender equality and ensure equal treatment between women and men, as well as persons belonging to minorities, regardless of religion or belief, ethnic or national origins, race, sex, language, sexual orientation, gender identity, ability or other in social, political and economic life; • Take further measures to strengthen the implementation of legislation against gender based violence, including awareness-raising of both the general population and of specific professional groups, such as the police, and in particular in rural and minority areas. Increase the access of victims to counselling services and shelters. <p><u>Medium-term priorities</u></p> <ul style="list-style-type: none"> • Approximate to European standards as regards health and safety rules, rules on the protection of maternity, rules on the reconciliation of parental and professional responsibilities as envisaged by the Association Agreement; • Take active steps to promote increased women representation in political decision making fora.
Association Agenda 2017-2020 Council Recommendations – short- and medium-term priorities, Children's Rights	<p><u>Short-term priorities</u></p> <ul style="list-style-type: none"> • Provide adequate resources and strengthen the role of the Public Defender's Office to undertake further ombudsman work for children, inter alia to carry out annual monitoring of the situation in relevant institutions, including in day centres; • Focus on measures to protect children against all forms of violence. <p><u>Medium-term priorities</u></p>

	<ul style="list-style-type: none"> Enhance measures to address most vulnerable children's needs (including children with disabilities and children in street situation), through improving and expanding social protection mechanisms, as well as supporting territorial access to habilitation/rehabilitation programmes for children with disabilities, and take steps towards elimination of child labour; Continue juvenile justice reform; Continue working towards deinstitutionalisation of children.
Economic development and market opportunities (DCFTA, SMEs, VET)	
<i>Sources of information</i>	<i>Evidence</i>
SME Development and DCFTA Georgia-DoA, 2015	<p>The overall objective of the EU-Georgia DCFTA and SME Support Programme is to assist the Georgian Government in the Implementation of the DCFTA, facilitating Georgia's economic Integration into the EU market.</p> <p>The specific objectives of the EU support to the DCFTA are the following: (1) to further strengthen the DCFTA policy framework for trade and SME development; (2) to improve the overall functioning of priority trade and private-sector related institutions; (3) to strengthen economic actors and SMEs along the DCFTA process; (4) to ensure economic Integration of targeted groups, such as returned migrants, women In business and young entrepreneurs.</p> <p>The Programme is expected to reach the following results in relation to the specific objectives given above.</p> <p>R1: Strengthened DCFTA and SME policy frameworks</p> <ul style="list-style-type: none"> Trade-related policy areas implemented following an agreed timeframe and sequencing (such as Sanitary and Phyto-Sanitary (SPS) Legislative Approximation Programme, Market Surveillance Action Plan, competition, public procurement); Regulatory and institutional framework for Small and Medium-sized enterprises (SME) developed, aligned with DCFTA policy orientations and Small Business Act (SBA) policy recommendations; Cooperation mechanisms between state institutions and stakeholders involved in trade and SME policymaking ensured. <p>R2: Strengthened capacities of DCFTA-related priority institutions:</p> <ul style="list-style-type: none"> improved institutional capacities of line ministries and core trade institutions to design and Implement specific measures related to DCFTA; Trade institutions capable to master legal, technical and administrative duties; Enhanced cooperation between line ministries, trade institutions and stakeholders (including consumers associations and businesses) involved in DCFTA-related aspects; Strengthened public-private policy dialogue: improved cooperation between relevant Georgian-EU bodies, leading to their future Integration within the corresponding EU network, where possible; improved awareness and communication of DCFTA long-term benefits. <p>R3: Strengthened capacities of SMEs-related institutions</p> <ul style="list-style-type: none"> improved institutional capacities of central administrations to design and Implement specific measures within the SMEs context; Strengthened capacities of SMEs bodies/agencies (Entrepreneurship Development Agency) to meet DCFTA requirements and to channel business support to SMEs; Strengthened public-private policy dialogue: improved cooperation between line ministries, SMEs bodies/agencies and stakeholders (including business and sectoral associations) involved in SMEs/DCFTA related areas; Facilitating the Integration of Georgian SMEs bodies/agencies into EU, regional and/or international platforms; Awareness raising activities to promote DCFTA/business in accordance to market needs are improved. <p>R4: Strengthened economic actors and SMEs</p> <ul style="list-style-type: none"> SMEs understand DCFTA provisions and are able to adapt to new norms;

	<ul style="list-style-type: none"> • Strengthened SMEs competitiveness (In terms of business activity, export, employment); • improved capacity of business and sector association, business services providers, Civil Society Organizations (CSOs) s to provide effective services to SMEs and the population at large; • Awareness raising activities, involving CSOs, businesses and citizens, are improved. <p>R5: Enhanced economic opportunities for all</p> <ul style="list-style-type: none"> • improved economic capacity of special target groups (returned migrants, women and young entrepreneurship) to benefit from DCFTA; • New income-generating activities, including more and better paid Jobs, available to target groups (including women and young entrepreneurs).
<p>Technical Assistance to VET and Employment Reforms in Georgia, ENPI/2014/351224, Inception Report, 2014</p>	<p><u>Technical Assistance to VET and Employment Reforms in Georgia</u></p> <p>Overall Objective: To reduce poverty and enhance social cohesion through the introduction of measures designed to stimulate the labour market, and to ensure synergy between the demands of the labour market and the skills and qualifications offered by the vocational education and training system.</p> <p>Project Purposes</p> <ul style="list-style-type: none"> • To strengthen the institutional and technical capacities of the Ministry of Education and Science and the Ministry of Labour, Health and Social Affairs to develop, manage and monitor their respective sector policies. • To strengthen the human resource capacities of the Ministry of Education and Science and the Ministry of Labour, Health and Social Affairs and their subordinate institutions to implement their respective reform agendas and to meet their obligations with respect to the implementation of the Association Agreement. • To support the European Delegation, the beneficiary ministries and other key stakeholders to coordinate, monitor and evaluate the employment and vocational education and training sector reform contract. • To strengthen the Ministry of Education and Science and the Ministry of Labour, Health and Social Affairs' capacities to promote the labour market and vocational education and training reform programmes and to enhance their communication capacities. <p>Project Activities</p> <p>Component 1: Policy Advice to the MoES and the MoLHSA</p> <ul style="list-style-type: none"> • Sub-component 1.1 - Strengthening Policy Formulation, Management and Monitoring Capacities; • Sub-component 1.2 - Support the Elaboration of New Policies; • Sub-component 1.3 - Technical Assistance to Strengthening Labour Market Analysis Tools and Ensuring Synergy with the VET System. <p>Component 2: Institutional Capacity Building and Human Resource Development for the MoES and the MoLHSA and Their Associated Institutions</p> <ul style="list-style-type: none"> • Sub-component 2.1 – Strengthening Financial Management Capacity and Public Internal Financial Controls; • Sub-component 2.2 – Human Resource Development; Sub-component 2.3 - Institutional Capacity Building; • Sub-component 2.4 - Support Legal Drafting. <p>Component 3: Support to the Coordination, Oversight and Monitoring of the EVET- SRC</p> <ul style="list-style-type: none"> • Sub-component 3.1 - Coordination and Reporting of the Budget Support Component of the EVET-SRC; • Sub-component 3.2 - Support VET Grant Applicants and Train Mentors for Monitoring VET Grant Project; • Sub-component 3.3 - Support Non-state Actors with SRC and VET Grant Scheme. <p>Component 4: Strengthening Communications Capacities within the MoES and MoLHSA</p> <ul style="list-style-type: none"> • Sub-component 4.1 – Situation Analysis; • Sub-component 4.2 – Support to the Elaboration and Implementation of a Comprehensive Awareness Raising and Communications Strategy; • Sub-component 4.3 – Define and Implement a Training Programme; • Sub-component 4.4 – Identify and Disseminate Examples of Good Practise in VET, Labour Market Initiatives and Business-Education Partnerships for Employment;

	<ul style="list-style-type: none"> • Sub-component 4.5 – Project’s Own Information and Visibility Activities.
<p>Association Agenda 2017-2020</p>	<p><u>Trade and Trade-Related Matters</u></p> <p>The Deep and Comprehensive Free Trade Area makes up an extensive part of the Association Agreement. It is therefore expected that implementation of this part, contained in Title IV TRADE AND TRADE-RELATED MATTERS, will be granted a level of priority commensurate with its importance in the overall context of the Association Agreement and in the frame of EU-Georgia relations.</p> <p><u>Trade in Goods</u></p> <p>The Parties will cooperate on the implementation of the provisions on market access for goods of the Association Agreement, in particular through joint consultations, with a view to:</p> <p>Short-term priorities</p> <ul style="list-style-type: none"> - Further improvements in the area of trade statistics; - Ensuring that no increase of currently applicable import duties in trade between the parties takes place following the entry into force of the Agreement (standstill clause); <p><u>Medium-term priorities</u></p> <ul style="list-style-type: none"> - Support Georgia to increase the diversification of Georgia's export structure, including export of new products to the EU market; - Close cooperation with a view to applying effectively the anti-circumvention mechanism; - Assisting Georgia in drafting and implementing legislation it may intend to prepare on market access or other related issues (i.e. trade remedies); - Ensuring exchange of information on market access-related developments and policy on market access. <p><u>Technical Regulations, Standardisation and Related Infrastructure</u></p> <p>The Parties will cooperate in the field of standards, technical regulations, metrology, market surveillance, accreditation and conformity assessment for achieving gradual approximation of these systems with EU relevant systems as provided for in the Association Agreement. The cooperation will include:</p> <p>Medium-term priorities</p> <ul style="list-style-type: none"> - Developing legislation which Georgia committed to implement on the basis of the Association Agreement as provided in its Technical Barriers to Trade Strategy (TBT); - Developing infrastructure related to administration of standards, technical regulations, metrology, market surveillance, accreditation, and conformity assessment procedures, including through EU support; - Facilitating the preparation and adaptation of stakeholders, including economic operators, for the implementation of approximated legislation; - Continuing the implementation of the Market Surveillance Strategy for industrial goods; - In the Market Surveillance field, strengthening administrative capacities of relevant Georgian state institutions and market surveillance bodies; - Further staff training for the administration of responsible government bodies and agencies; - Exchanging information on all relevant aspects of the Georgian TBT and Market Surveillance Strategies, including timeframes as applicable. <p><u>Sanitary and Phytosanitary (SPS) Measures</u></p> <p>The Parties will cooperate in preparing for the approximation of Georgia's sanitary and phytosanitary legislation for food and feed, plant health as well as animal health and welfare and practice to that of the EU, as set out in the relevant Annexes to the Association Agreement. The cooperation will include:</p> <p><u>Short-term priorities</u></p> <ul style="list-style-type: none"> - Supporting the early warning system for the food and feed, animal health and plant health safety; - Organising information campaigns with relevant agencies, businesses and NGOs on the requirements for accessing the EU market, as well as with civil society on the relevant consumer aspects of food and feed safety;

- Providing further EU technical advice and support to Georgia in drafting and implementing the legislation, including training the relevant staff, providing capacity-building to the competent authority and supporting the improvement of the laboratory capacity, in line with the EU requirements;
- Enhancing adaptation capacity of Georgian business for the implementation of approximated legislation.

Medium-term priorities

- Supporting Georgia to strengthen the risk analysis in the SPS field; ensuring veterinary phytosanitary and food safety checks at the border inspection posts;
- Facilitating the adaptation of Georgian businesses for the implementation of approximated legislation;
- Collaborating in the field of animal welfare and on the reduced use of antibiotics in animal production to combat antibiotics resistance.

Customs and Trade Facilitation

The Parties will cooperate in preparing for the approximation of Georgia's legislation to EU acquis and international standards listed in the relevant Annex to the Association Agreement. Approximation should be based on the Union Customs Code, which is implemented as of May 1st 2016. The relevant AA Annex shall reflect the substitution of the Community Customs Code with the Union Customs Code.

Short-term priorities

- Implementation of the Strategic Framework for customs cooperation;
- Approximating Georgia's legislation on customs enforcement of IPR to EU acquis, as envisaged by the Association Agreement.

Medium-term priorities

- Approximating Georgia's Authorised Economic Operator system to that of the EU;- Continuing to modernise Georgian customs authorities;
- Continuing to simplify and modernise customs procedures;
- Assisting Georgia in its accession to the Convention on a common transit procedure;
- Co-operating on risk-based customs control and sharing of relevant information that contributes to improved risk management and security of the supply chains, facilitation of legitimate trade and safety and security of goods imported, exported or in transit;
- Strengthening dialogue on the fight against fraud to prevent illegal trade, including in excisable products, particularly through enhanced cooperation in the framework of the Protocol on Mutual Administrative Assistance in Customs Matters;
- Considering the prospect of mutual recognition of Authorised Economic Operator system as envisaged by the Association Agreement.

Rules of Origin

The parties will work together to implement rules of origin laid out in the relevant protocol to the Association Agreement and deriving from Georgia's accession to the regional Convention on Pan-Euro-Mediterranean preferential rules of origin. This cooperation will include work to:

Short- term priorities

- Discuss the current procedures applied by Georgian customs services in certifying and verifying the origin of goods.

Medium-term priorities

- Substituting the current protocol on rules of origin (Protocol 2 of the AA) by a reference to the Pan-Euro-Mediterranean Convention on rules of origin following Georgia's accession;
- Continue training on certification and verification of preferential origin to Georgia's customs service.

Establishment, Trade in Services and Electronic Commerce

The Parties will continue the dialogue on establishment, trade in services and electronic commerce according to the relevant provisions of the Association Agreement. Furthermore, the Parties will prepare for the implementation of the commitments in the services areas, as envisaged in the relevant Annexes to the Association Agreement. This will include providing training and building adequate administrative capacity to undertake planned legislative approximation, and ensure regular exchanges of information as regards envisaged and ongoing work in selected areas for approximation.

Short-term priorities

- Exchange information and experience on development interoperable eCommerce trading platforms; - Exchange information and experience on raising awareness among stakeholders on implementing the key principles of the Postal Services Directive, in particular the universal postal obligation, as well as other postal sector policy.

Current Payments and Movement of Capital

The Parties will continue dialogue on capital movements and payments, in particular with a view to monitoring compliance with all existing commitments and preparing for implementation of the Association Agreement.

Public Procurement

The Parties will cooperate on Georgia's preparations for the implementation of the Procurement Chapter of the Association Agreement and the related reforms. The work will include:

Medium-term priorities

- Providing precise and timely information on planned legislative work affecting procurement policy and its implementation, both for the legal approximation and the set-up of institutions in the field of public procurement. A comprehensive roadmap has already been adopted by the Government of Georgia on 31 March 2016, covering five phases of actions to be implemented during the period from 2016 to 2022. The Parties will further discuss implementation of the roadmap, also in view of ensuring the approximation of the Georgian public procurement legislation with the EU public procurement acquis as foreseen in the Association Agreement.

Intellectual Property Rights (IPR)

The Parties will cooperate on Georgia's preparations for the approximation to the EU acquis and international standards on the protection of intellectual property rights, including Geographical Indications as provided for in the Association Agreement and will ensure the effective protection of all IPR, including geographical indications. Cooperation will include:

Medium-term priorities

- Ensuring rights holders from both Parties a high level of IPR protection and enforcement;
- Strengthening the enforcement capacity of relevant governmental bodies or executive agencies, as well as ensuring proper functioning of the judicial system to guarantee access to justice for rights holders and implementation of sanctions;
- Supporting functioning of the National Intellectual Property Centre of Georgia "Sakpatenti" in order to ensure protection of industrial property rights and copyright]; extending cooperation with third country authorities and industry associations;
- Taking measures to increase public awareness in the field of intellectual and industrial property protection and ensuring effective dialogue with rights holders;
- Taking effective measures against counterfeiting and piracy, including production of statistical information on those activities to be shared between the Parties.

Competition

Medium-term priorities

The Parties will cooperate on implementation of the Competition Chapter of the Association Agreement and the related reforms. Cooperation will tackle Georgia's institutional framework and relevant administrative capacity to guarantee effective implementation of relevant legislation, as well as enhanced dialogue on legislative enforcement in the competition area and related legislations.

Transparency

Short- term priorities

The Parties will pay special attention to cooperation when preparing for the implementation of commitments on transparency in trade-related policy-making. The parties will discuss best practices and respective experience in transparent policy-making, exchange information and provide relevant training, including on communication mechanisms and stakeholder consultations, as well as conduct seminars and other events for the wider public, aimed at explaining the implementation of the Association Agreement and the approximation process.

	<p><u>Trade and Sustainable Development</u></p> <p><u>Medium-term priorities</u></p> <p>The Parties will continue their dialogue on the issues covered by the Chapter on Trade and Sustainable Development of the Association Agreement, in particular exchanging information on the development of an appropriate labour inspection system for all international fundamental labour standards, implementation of the Labour Code, implementation of multilateral environmental agreements, which either side is party to, and implementation of their commitments related to sustainable development, as well as discuss and exchange best practices on the future implementation of the commitments under the Chapter with regard to stakeholder involvement and civil society dialogue.</p>
Association Agenda 2017-2020	<p>Economic Development and Market Opportunities</p> <p>The Parties will cooperate to support Georgia in establishing a fully functioning market economy and gradually approximating its policies to the policies of the EU in accordance with the guiding principles of macroeconomic stability, sound public finances, a robust financial system and sustainable balance of payments. To that end they will monitor macroeconomic developments, discuss key policy challenges and exchange information on best practices by strengthening the regular macroeconomic dialogue in order to improve the quality of economic policy making.</p> <p>Furthermore the Parties agree to cooperate with a view to:</p> <p>Medium-term priorities</p> <ul style="list-style-type: none"> - Strengthen the independence and regulatory powers of the National Bank of Georgia (NBG) and share EU experience, including from the ECB, on monetary and exchange rate policy as well as financial and banking sector regulation and supervision policies, to further develop Georgia's capabilities in these areas;- Improve the sustainability and governance of public finances by implementing fiscal reforms; - Develop a sustainable, comprehensive and well-targeted social safety net.
Connectivity	
<i>Sources of information</i>	<i>Evidence</i>
Environment & CC	
Single Support Framework for EU support to Georgia (2017-2020)	<p>Cross cutting issues, notably environmental protection and climate change, gender, digital and human rights will be mainstreamed in the priority sectors. Particular attention will be paid to support vulnerable groups such as women, youth and people with disabilities, internally displaced people and persons belonging to minorities.</p> <p>Lessons learned from 2007 – 2013 include the importance of mainstreaming cross cutting issues including youth and gender.</p>
Adaptation	<p>Georgia is committed to continue studying its adaptive capacity of different economic sectors to the negative effects of climate change, as well as to plan and implement the respective adaptation measures by mobilising domestic and international resources for the sectors particularly vulnerable to climate. (Georgia does not yet have a National Adaptation Plan but has identified a number of adaptation measures to be adopted as part of the National Adaptation Plan to achieve the goal set out in Nationally Determined Contribution).</p>
Georgia's Updated Nationally Determined Contribution (NDC) 2021	<p>Para 12: The observation of the impacts of extreme weather events on Georgia's population, induced by the climate change during the last decades, reveals the following vulnerable groups requiring urgent adaptation measures: children and adolescents, women, elderly persons, persons with disabilities, persons with chronic diseases, and eco-migrants displaced as a result of disasters caused by climate change or those, who are threatened to be eco migrated due to the climate change.</p> <p>Para 31: Georgia's updated NDC acknowledges that vulnerable groups listed in paragraph 12, in the conditions of scarcity of vital resources are likely to face some of the most immediate threats of climate change;</p> <p>Para 32: Georgia, within the framework of national adaptation plan, commits to identify the needs of children and women and set priorities within the climate change adaptation measures;</p> <p>Para 34: Georgia's updated NDC envisages the role of the youth in the process of fighting against climate change and invites all national stakeholders for cooperation to provide climate change-related education for children and youth, as well as for organising the awareness raising events and trainings;</p> <p>Para 35 Under the Fifth National Communication to the United Nations Framework Convention on Climate Change, Georgia is committed to identify the most vulnerable populated areas in the country with a threat of displacement due to climate change. In addition, Georgia invites international</p>

	<p>partners to work together on the development of protection programmes for children and their families, who are forced to relocate as a result of natural disasters or crisis induced by climate change;</p> <p>Para 38: Under the Fifth National Communication to the United Nations Framework Convention on Climate Change, Georgia is committed to identify the areas affected by frequent floods as a result of climate change and calls on international partners to develop protection programmes for vulnerable communities at risk of infectious waterborne disease.</p>
Association Agenda 2017-2020: Environment and CC	<p>Environment</p> <p>The Parties will cooperate with the aim to:</p> <p>Short-term priorities</p> <ul style="list-style-type: none"> - Enhance environmental governance by adopting and implementing new legislation in Georgia on environmental impact assessment, strategic environmental assessment, new legislation on environmental liability, by ensuring public access to environmental information and public participation in decision-making, by involving all interested stakeholders, as well as by integrating environment into other policy areas and by improving environmental information sharing in line with the principles of the Shared Environmental Information System (SEIS); - Adopt the 3rd National Environmental Action Programme of Georgia (2017-2021); - Start implementation of the National Radioactive Waste Management Strategy. <p>Medium-term priorities</p> <ul style="list-style-type: none"> - Implement the 3rd National Environmental Action Programme of Georgia (2017-2021) according to the NEAP 3 timeframe; - Implement the National waste management strategy and measures foreseen in the 2016-2020 action plan; - Continue approximation of legislation of Georgia to EU acquis and implement the provisions of EU Directives and Regulations as envisaged in the relevant Annexes of the Association Agreement; - Draw up a roadmap for the ratification and implementation of multilateral environmental agreements, including among others UNECE Convention on the Protection and Use of Transboundary Watercourses and International Lakes, and UNECE Convention on the Transboundary Effects of Industrial Accidents. Advance preparations to become a party to Espoo Convention and its protocol on Strategic Environmental Assessment.
Energy	
ENI/2019/412-869 & ENI/2019/412-866 Programme for Energy Efficiency in Public Buildings in Georgia – EBRD & KfW Part ENI/2019/404204 GESR	<p>GoG's financing capacity is limited and investments are urgently needed. Without the EU Contribution, the envisaged investments in EE would face postponement or rolled-out with a much lower speed. It is also likely that the GoG would opt for less ambitious energy savings, implementing technology and material below international best practice.</p> <p>Detailed investment needs for structural repairs will be determined during building level audits covered by the Technical Assistance component. This will inform the design of the measures and will be included in the procurement documents. Based on the review of completed renovations, structural strengthening could include repair of walls, roofs and facades as well as sanitary facilities, measures to ensure water tightness of the building, introduction of structural elements to improve seismic resistance, exchange of building material with fatigue or which are at the end of their lifetime. This will also protect investment in EE and sustain projected energy savings according to the increased lifetime of the buildings.</p>
ENI/2017/390-659 Extension of the Georgian Transmission Network	<p>After a decade of economic decline following the independence of Georgia, the country managed to stabilize its electricity sector starting in the early 1990s by several important reform processes (e.g. unbundling of the energy sector, privatization of energy generation and distribution etc.). Having experienced frequent blackouts and unstable energy supply up to the beginning of the 21st century, the energy sector is of central importance for the Government of Georgia ("GoG") and crucial for the economic development as well as the satisfaction of the population's basic needs.</p> <p>In order to satisfy the constant growing demand for energy (+15-35% forecast until 2020) while ensuring security of energy supply, the GoG aims at a significant extension of the generation capacities (mainly from hydropower sources), the herewith connected extension of the energy transmission grid as well as the stronger integration of the regional grid with the south Caucasus countries and beyond. Therefore, Georgia needs to meet its obligations for the development of a stable, reliable, cost-effective and efficient transmission system. This system shall ensure the network security, sufficient transfer capacity for the integration of renewable energy sources into the network and power exchange with neighbouring countries. In order to fulfil these goals, the Georgian state transmission operator, also responsible for energy dispatch as well as the cross-border transmission, JSC Georgian</p>

	<p>State Electrosystem ("GSE") has elaborated short-term, mid and long-term plans for the network development and documented them in the Ten Year Network Development Plan (2015-2025) of the energy sector ("TYNDP") approved in 2015 and regularly updated. The Action is based on the TYNDP and was suggested by GSE.</p>
Association Agenda 2017-2020 Energy	<p>Energy Cooperation</p> <p>The Parties will cooperate with the aim to:</p> <p>Short-term priorities</p> <ul style="list-style-type: none"> - Complete Georgia's formal accession to the Energy Community Treaty as a contracting Party in line with the Association Agreement; - Implement relevant legislation in the fields of electricity, renewable energy, energy efficiency, oil, gas, energy statistics, energy-related environment, and prospection of hydrocarbons, in the line with the terms and conditions set out in the protocol of accession to the Energy Community Treaty and in the Association Agreement. <p>Medium-term priorities</p> <ul style="list-style-type: none"> - Take steps towards the integration of Georgia's energy market with that of the EU, and strengthening Georgia' energy security and regulatory convergence through the further implementation of relevant EU legislation, including related secondary legislation, applicable to Georgia, in line with the AA and Energy Community commitments and in accordance with the timeline agreed by Georgia in these frameworks; - Cooperate on attracting international support for sustainable energy development including that from international climate funds and other financial instruments; - Reinforce Georgia's energy infrastructure network and interconnections, in particular: <ul style="list-style-type: none"> - with regard to electricity, promoting cross-border trade and interconnections with neighbouring countries and reinforcing Georgia's transmission grid; - with regard to natural gas, expansion of main gas pipelines, including facilitating the implementation of the expansion of the South Caucasus gas pipeline on the Georgian territory, as well as support/promotion of other gas and oil transit projects of regional importance to ensure the transportation of Caspian energy resources to western markets, as well as facilitating development of underground gas storage to enhance energy security in Georgia.
Association Agenda 2017-2020:transport	<p>The Parties will cooperate to enhance further implementation of the EU acquis in all transport modes mentioned in relevant annexes of the Association Agreement and to support Georgia in:</p> <p>Medium-term priorities</p> <ul style="list-style-type: none"> - Pursuing the implementation of the EU aviation acquis in order to take full advantage of the EU-Georgia Common Aviation Area Agreement; - Activities to improve safety across transport modes (aviation, road, maritime, railway); - Developing infrastructure, in particular to start preparing and implementing further projects for the development of the extended core TEN-T network, as agreed at the 2016 Rotterdam TEN-T days' ministerial meeting.
The World Bank Fourth East West Highway Improvement Project (P130413)	<p>The project design had an integrated view that matched the strategic objective not only of the project but that of the wider mobility needs of Georgia. It provided activities/ objectives at 4 distinct levels (though this was not described as such in the PAD), including; i) the project level, ii) the institutional level; iii) the sector level; iv) the long term connectivity level. The project components included development of physical infrastructure, measures for institutional development of RD (beyond the needs for implementing the subject project), sectoral aspects such as road safety, ITS strategy, and highway maintenance.</p>
Association Agenda 2017-2020, Climate Change	<p>The Parties will cooperate with the aim to:</p> <p>Short-term priorities</p> <ul style="list-style-type: none"> - Finalise and adopt a Low Emission Development Strategy of Georgia; - Start implementation of the Paris Climate Agreement. <p>Medium-term priorities</p>

	<ul style="list-style-type: none"> - Approximate legislation of Georgia to EU acts and international instruments as envisaged by the Association Agreement in accordance with the relevant Annexes thereof; - Elaborate the updated Nationally Determined Contribution (NDC) document; - Mainstream climate action in sectoral policies and measures and strengthen the capacity of different authorities to implement climate action across sectors; - Enhance Georgia's transparency framework for climate action, in particular through a robust national system for the monitoring and reporting of climate policies, measures and greenhouse gas emissions based upon the EU model; - Develop Georgia's mid-century, long-term low greenhouse gas emission development strategy.
Mobility	
<i>Sources of information</i>	<i>Evidence</i>
Association Agenda 2017-2020: Mobility and People-to P	<p>Education, Training and Youth</p> <p>The Parties will cooperate on the overall modernisation and reform of Georgia's education, training and youth systems, in particular by:</p> <p>Medium-term priorities</p> <ul style="list-style-type: none"> - Carrying out joint work and exchanges with a view to promoting Georgia's further integration into the European Higher Education Area in the context of its membership of the Bologna process, including through strengthening an independent and development-oriented quality assurance system, promoting active participation of stakeholders and civil society in the reform processes and strengthening the academia-labour market cooperation for a greater employability of graduates; - Promoting academic cooperation, capacity building and student and staff mobility through the Erasmus+ programme as well as researchers' mobility, career development and training through the Marie Skłodowska-Curie actions; - Encouraging a strategic approach to vocational education and training (VET) with a view to bringing Georgia's VET system in line with the modernisation of EU VET structures as pursued in the Copenhagen Process and through its instruments and respecting the equal opportunities principles; - Strengthening a strategic approach to youth policy and enhancing exchanges and cooperation in the field of non-formal education for young people and youth workers, as a means to promote intercultural dialogue and support civil society, inter alia through the youth strand of Erasmus+; - Ensuring right to education for all children and young individuals, including those with special educational needs and taking further steps to promote inclusive primary and secondary education.

I-1.1.4 Evidence that the formulation of the cooperation strategy and of individual interventions were underpinned by inclusive (e.g., civil society, private sector) stakeholder consultation processes.

Throughout the evaluation period, and in every area of cooperation, the EU has systematically involved civil society in formulating the cooperation strategy. Guiding this have been the Civil Society Roadmaps 2014-2017 and 2018-2020 and support provided through the Civil Society Facility. The Delegation has also run intensive consultations with civil society on EU Joint Programming 2017-2020 and Single Support Framework 2017-2020. The EUD engages regularly with relevant stakeholders, notably business association and private businesses. As confirmed in interviews, some SMEs and other private sector employers as well as CSOs played an important role in determining VET and skills needs based on labour market trends and ambitions.

Evidence

Overall assessment of quality and credibility of evidence	Sources of evidence for this indicator consist entirely of EAMRs and was supplemented by interviews with actors involved. The evidence related to this indicator is assessed as Medium .
<i>Sources of information</i>	<i>Evidence</i>
EAMR 2014	<p>Civil society organisations were consulted in the preparation of all programmes to be financed under the 2014 AAP. Consultations took the form of meetings to discuss initial programming and were often followed up subsequently with additional meetings to verify the validity of documents during the drafting stage. Civil society organisations were also invited to participate in presentations of the final documents. In this way, civil society views were reflected in gap assessments, programming documents and policy matrices. The practical outcome of this involvement can be seen by the extent to which space has been created within the programmes, including budget support operations, for the active involvement of CSOs through policy dialogue, implementation and monitoring and evaluation activities. In terms of target groups, civil society was consulted broadly, as well as in thematic groups to ensure the quality of inputs provided. The Delegation also conducted an extensive consultation process around the formulation of the EU Roadmap for engagement with civil society. Several large consultations were held in Tbilisi, as well as several more in the regions of Georgia. A reference group consisting of 12 stakeholder representatives, including civil society organisations, platforms and local authorities was established to manage the Roadmap process, which was assessed by civil society representatives as highly participatory and best practice.</p> <p>[...]</p> <p>The transparent approach of the Delegation to consultation with civil society has resulted in regular and open exchanges with civil society representatives which often give rise to new activities, such as the series of multi-stakeholder dialogues on the impact of the Association Agreement and the DCFTA, supported by the Delegation during 2014 with the help of the NSA regional support project. CSO's have been helpful in organising events during missions, also gathering other CSOs in their regions for consultations.</p>
EAMR 2016	<p>The Delegation has maintained strong and sustained coordination and cooperation with civil society, based notably on the EU roadmap for the engagement with civil society. Cooperation with civil society and its Georgian National Platform (GNP) was upgraded through related support for GNP and through the Civil Society Facility under AAP 2015 which implementation will start as of 2017. The Delegation has also run intensive consultations with civil society on EU Joint Programming 2017-2020 and Single Support Framework 2017-2020. There was also a number of encouraging elements on the Georgian side such as MoU between civil society and the Parliament of Georgia, numerous government consultations on strategic policy documents, notably in the fields of justice, rural development and environment. The EU and Government of Georgia ensured representation of women's organisations in these processes.</p> <p>[...]</p> <p>Not only the roadmap but also the CSO facility contracted in 2016 sustain an existing long term partnership enhancing not only the quality of the assistance provided but also the policy dialogue, advocacy and implementation of programmes through a strong institutionalized link with civil society, This is strengthened further by MoUs between the CSOs and the Government as well as the Parliament of Georgia. All these steps mark an upgrading and strengthening of CSOs in decision making and implementation of reforms.</p>
EAMR 2020	<p>The Delegation is entrusted with the largest donor portfolio in Georgia. Combined with the EU's key political profile in Georgia, the EU Delegation has played an influential role in 2020 among development partners. This crystallised with the steering of the Joint Programming process with EU Member States, Switzerland and Norway, which led to joined up policy messages approved by Heads of Missions in January 2020. It also allowed the EU Delegation to efficiently steer the preparation of the outline for the 2021-2027 Multi-Annual Indicative Programming, including the future Team Europe Initiatives. Finally, it enabled the EU to stand out as a leading voice in the UN-coordinated donor dialogue with the Government as well as on Abkhazia.</p>

I-1.1.5 Degree of integration of EU's country- and regional strategic interests, incl. trade and security, into the design of the overall cooperation strategy and individual interventions.

EU cooperation has been grounded in the Eastern Partnership (EaP, 2009) designed to strengthen and deepen the political and economic relations between the EU, its Member States and the EaP countries in line with shared global commitments and EU strategic interests as set forth in the Global Strategy and Political Guidelines 2019-2024. Informing EU cooperation has been the 2015 European Neighbourhood Policy Review. In all sectors, cooperation has highlighted alignment with European standards. EU trade interests are served by cooperation to support DCFTA, much of cooperation under Connectivity serves to facilitate the exchange of goods and energy between Europe and Central Asia. In Connectivity, the main strategic documents provide evidence that the Env. & CC strategies evolve with the developments of broader frameworks; e.g., the Eastern Partnership policy beyond 2020 is aligned with the EU's new growth strategy, the European Green Deal. The Action Document on the EU Resilience facility provides reference to the European Green Deal target of making the EU the first climate-neutral continent by 2050 and the EU's goal to support the transition to green economy even in its response to the COVID-19 outbreak. Cooperation under Mobility aims to strengthen people-to-people contacts. Cooperation through IcSP has been directly related to peace and security, as has the role of the EUMM.

<i>Evidence</i>	
Overall assessment of quality and credibility of evidence	As this indicator has been approached on the basis of high-level strategic documents, the evidence is regarded as Strong .
<i>Sources of information</i>	<i>Evidence</i>
Joint Communication on Eastern Partnership Policy beyond 2020, JOIN (2020) 7	<p><u>General</u> The Eastern Partnership (EaP) is a joint initiative of the European Union, its Member States and Armenia, Azerbaijan, Belarus, Georgia, the Republic of Moldova¹, and Ukraine ('the partner countries'). Launched in 2009, the EaP is a strategic and ambitious partnership based on common values and rules, mutual interests and commitments as well as shared ownership and responsibility. It aims to strengthen and deepen the political and economic relations between the EU, its Member States and the partner countries and helps them in achieving the twin ecological and digital transformation. It supports the delivery of many global policy objectives, including the Paris Agreement on Climate Change and the UN 2030 Agenda and its Sustainable Development Goals. It contributes to the overall goal of increasing the stability, prosperity, and resilience of the EU's neighbours as set out in the Global Strategy for the foreign and security policy of the European Union² and the 2015 European neighbourhood policy review. It is fully aligned with the European Commission's Political Guidelines 2019-2024. Finally, it reflects all relevant flagship strategies adopted by the Commission.</p> <p><u>Judicial Reform</u> Future reforms should be based on alignment with European standards. There should be a holistic approach that covers prosecution and law enforcement services. The independence and accountability of the judiciary and prosecution are essential, in a system of checks and balances, to ensure that all state institutions abide by the law and that citizens have access to justice and can exercise their rights fully. The EU will encourage the active role of international institutions and experts to support and legitimise reform processes and will look to its own expertise on rule of law issues. Reforms should be based on high quality reform strategies that are based on first-rate diagnostics of the issues that need be addressed. There is a need for better measurement of the real results/impacts of reforms and their perceptions by citizens. The EU will support increase the capacity of the relevant national institutions to deliver judicial training on the values and rules that justice practitioners, such as judges and prosecutors, need to adhere to in their work. In this critical area the EU will promote a rule of law culture through close involvement of civil society and business community, as well as strengthened cooperation with EU stakeholders.</p> <p><u>Tackling corruption and economic crime</u></p>

	<p>Corruption undermines the rule of law and the sustainable development of societies. New anti-corruption digital tools help to prevent and detect irregularities better, and several specialised bodies have been set up in recent years to tackle corruption. Despite this, a new level of rigorousness is needed to improve investigation, prosecution and sanction of economic crime, thereby demonstrating that the anti-corruption and law enforcement bodies are independent and deliver results. The EU will support a results-driven legislative and institutional framework, with a focus on high-level corruption, and will pay particular attention to the area of public procurement. In this respect, the potential of digital solutions for improving the traceability and transparency of public procurement systems will be explored to the full. The EU will also help the partner countries integrate integrity and accountability in all levels of public administration.</p> <p>Corruption is one of the many aspects of a broader criminal phenomenon, namely economic crime. Partner countries need to step up their efforts to establish a solid and effective framework to fight economic crimes. In this regard, registries of beneficial ownership are essential to fight money laundering. It is important for the Eastern partners to put in place robust asset recovery frameworks, including by setting up functioning asset recovery offices that are in a position to trace and identify criminal wealth. This is crucial in view of freezing and confiscating illicit assets, and for the recovery of criminal proceeds as an important instrument in the fight against organised crime.</p> <p><u>Combatting organised crime</u></p> <p>One shared challenge in the broad area of security is organised crime. Here, the EU will continue support: (i) increased cooperation with EU justice and home affairs agencies; (ii) security sector reform; (iii) the fight against trafficking of human beings and illicit goods (notably drugs and firearms); and (iv) integrated border management to improve partner countries' ability to withstand the pressures they face and step up their resilience. The EU will continue cooperation on cyber resilience with the partner countries. Moreover, a functional and enforceable framework to fight cybercrime, with the Council of Europe's Budapest Convention as a baseline, is fundamental.</p> <p><u>Unresolved conflicts</u></p> <p>Moreover, unresolved conflicts continue to hamper development in the region. Under the agreed negotiating formats and processes, the EU is committed to promote the peaceful settlement of these conflicts. Being conscious of the impact this can have on economic and social developments, the role of women and young people in peacebuilding will be strengthened through joint actions to further the EU's political commitment for the implementation of the Women Peace and Security agenda at regional and international levels. In particular, the EU will pursue efforts to support conflict prevention, confidence building and the facilitation of negotiated peaceful conflict settlements. The EU will also continue providing assistance to populations affected by conflicts to enhance their resilience. Security dialogues and practical Common Security and Defence Policy (CSDP) cooperation will also be strengthened to support contributions by partner countries to the European civil and military missions and operations. The EU will consider providing training opportunities and capacity building to the partner countries, including on countering hybrid threats, where appropriate.</p>
EAMR 2016	<p>Within the Delegation portfolio, around 15 % are at present thematic contracts. This comprises notably the large thematic portfolio of migration related contracts as well as human rights contracts. The relatively high ratio is to a large extent due to the extensive needs of state structures in support of implementing migration policies, related to the upcoming visa liberalisation. Thus the thematic support is in essence complementary to the main instruments. Also with regards to regional programs, the Delegation sees a reflection of its important position among EaP countries in the Southern Caucasus when it comes to coordinate, monitor and support regional instruments, so called Eastern Partnership Flagship Initiatives, for example in the case of EU4ENERGY, Integrated Border Management, Environmental Governance, Sustainable Municipal Development, Prevention Preparedness and Response to the Natural and Man Made Disasters as well as the Support to the SME's. Ensuring consistency between the policy dialogue at bilateral level and the initiatives contracted centrally by HQ based on regional or blending operations remains a challenge, especially where projects go beyond experimental or demonstration projects. This is partly addressed through the involvement of the Delegation in contract monitoring or even contract management to the Delegation after contract signature. The same applies to the application of visibility requirements.</p>

JC1.2 Appropriateness for pursuing the objectives of the cooperation

The logic adopted in country-level programming, including its sequencing and focus in terms of level of interventions and targeting, was appropriate for pursuing cooperation objectives taken as a whole.

I-1.2.1 Evidence that the results frameworks adopted at overall cooperation strategy and sector levels were internally consistent, including in terms of clear sequencing between short-, medium- and long-term objectives.

[See also I-1.1.3.] Support in all sectors was guided by reasoned results frameworks. SSFs 2014-2016 and 2014-2017 articulated, for each priority sector, overall and specific objectives, with expected results enumerated for the latter. Indicators and sources of verification were identified. Internal consistency depends on the level at which “internal” is defined. Outside Connectivity, where standard good-practice engineering and project finance perspectives dominate, sector-level risk assessments, also presented in SSFs, tend towards the generic (political will, capacity, etc.) and do not reflect a perspective that is analytical at the multi-sector, integrated level; from which unintended consequences can be better discerned. Such perversities and inconsistencies are not impossible; EU support to SPS and food safety resulted in popular fears about impacts on the price of meat. It is, for example, a yet-unaddressed question whether improved mobility encourages greeter brain and skills drain, and how EU support to SMEs, VET / skills development, and professional mobility mitigates such a potential effect. Improved road transport in Connectivity increases vehicle usage with negative effects on GHG emissions, an elementary fact nowhere cited in the documentation reviewed.

<i>Evidence</i>	
Overall assessment of quality and credibility of evidence	Based on good availability of strategic and programming documents, evidence for this indicator is assessed as Strong .
PAR	
<i>Sources of information</i>	<i>Evidence</i>
SSF for EU support to Georgia, 2014-17 SSF for EU support to Georgia, 2017-2020	<p>The overall objective is to improve efficiency, accountability and transparency of the public administration at central, regional and local levels. This will be done in harmonisation with European principles and best practice.</p> <p>The specific objectives are:</p> <ul style="list-style-type: none"> • To assist the Government to enhance the Civil Service's capacities and independence, to introduce a modern results oriented management approach and improve transparency, accessibility and the quality of services; • To enhance accountability of the executive branch and to combat elite corruption; • To strengthen the capacity of the legislative, judiciary, statutory bodies (Parliament, Ombudsman, Constitutional Court, State Audit Office) and mass media to maintain oversight of the executive branch of Government • To strengthen the structures and processes of local governance through the decentralisation of powers; • To strengthen public finance policy processes in public institutions through the introduction of improved budget forecasting and modelling, cost management techniques and other public finance policy-related reforms including public procurement. <p>The main expected results:</p> <ul style="list-style-type: none"> • The Civil Service is professionalised and independent; • Results-oriented management introduced into all public bodies;

	<ul style="list-style-type: none"> • Improved e-governance, efficiency and cost effectiveness of the delivery of public services; • Increased decision-making powers and budgetary resources devolved to local authorities; • Enhanced capacity of line Ministries and State Agencies to model costs and benefits of policy options and to monitor and control expenditures; • Improved reforms of public finance and fiscal policy; • Improved transparency, efficiency and integrity of the public procurement system; • Corruption amongst the political elite is reduced; • Accountability of the Executive branch of Government is enhanced.
<p>Georgia Action Document for 'Support to Public Administration Reform in Georgia (PAR)', EC Implementing Decision on the AAP 2015, Annex 1</p> <p>Annex 1 to FA, ENI/2015/037-832, TAPs, Support to the Public Administration Reform in Georgia (PAR)</p>	<p>Main expected results:</p> <ul style="list-style-type: none"> • Improved policy planning and coordination capacities and processes in the central public administration • Policy-driven, results-oriented management approach progressively introduced in the central public administration • The Civil Service progressively professionalised and merit-based human resources management policies implemented • Improved accountability of public sector through reduction of corruption and increased openness towards citizens • Enhanced country-wide efficiency and cost effectiveness of the delivery of public services • Improved strategic framework for local government reform in line with the European Charter on Local-Self Government • Enhanced capacity of local civil servants for the formulation, coordination, management of local policies and public finances. <p>These were internally consistent with the cooperation strategy. (SSF and AA)</p>
PFM	
<i>Sources of information</i>	<i>Evidence</i>
<p>SSF for EU support to Georgia, 2014-17</p> <p>SSF for EU support to Georgia, 2017-2020</p>	<p>The general objective (to improve efficiency, transparency and accountability of public finance policy and management in Georgia) and the specific objective (to improve policy and institutional capacity of key public finance players by supporting the implementation of relevant strategies, policy measures and action plans) are in line with the SSF, 2014-17.</p>
<p>Georgia Action Fiche for Support to Public Finance Policy Reforms (PFPR), EC Implementing Decision on the AAP, 2013, Annex 1</p>	<p>Expected results (where in some instance, medium and long term objectives are specifically mentioned):</p> <ul style="list-style-type: none"> • Increasing efficiency in the management of public funds with a specific focus on accountability and transparency by directly and publicly involving a higher level of political and institutional responsibilities within the country's system of checks and balances. • Facilitate a more informed oversight by non-state actors and citizens. • Strengthen the institutional and policy framework, contributing to enhancing policy-based budgeting via: improved quality and reporting of programme and capital budgets; strengthened medium-term strategic planning framework duly reflected in the annual fiscal planning; supported fiscal consolidation and transparency including via the inclusion of Legal Entities of Public Law in annual financial statements. • contributing to external scrutiny and accountability of the government via annually prepared and published "Citizens' Guide to the Annual State Budget" and increased accountability of the Government in respect of Parliament's recommendations. • Public internal financial control will be further strengthened via: Improved public sector internal financial control and audit; Audit units established in all line ministries, and financial and performance audits implemented according to international standards.

	<ul style="list-style-type: none"> Georgia will review the current status and the perspectives of Fiscal Governance in relation to EU fiscal rules as well as Georgia's perspectives of fiscal decentralization and the study will be published and allow broad based, participatory discussions related to approximation of Georgia's PFM systems to EU ones within the medium and long term. Strengthening external audit will focus on: increased harmonisation with INTOSAI, Lima and Mexico Declarations with specific attention to independence, objectivity and impartiality and on improving SAO services to Parliament and citizens; develop and implement financial and performance audit standards according to international best practises; develop and implement external communication with special attention to the public and to the Parliament. <p>Public oversight over the Executive will be promoted via: improved financial oversight through a reinforced Budget Office capable to provide members of Parliament with an independent review of main budget policy issues; improved communication and visibility through scheduled public hearings on SAO and on Government's budget execution reports.</p>
Public Expenditure and Financial Accountability (PEFA) self-assessment, due late spring 2013	Publication of the PEFA report will be followed by the updated PFM reform strategies and action plans, that forms the platform for new Public Finance Policy Reform Support programme.
Agriculture & rural development	
<i>Sources of information</i>	<i>Evidence</i>
SSF 2014-2017 SSF for EU support to Georgia, 2017-2020	<p>The specific objectives are:</p> <ul style="list-style-type: none"> To improve the effectiveness and competitiveness of the agricultural sector in an environmentally sustainable manner; To improve employment and living conditions in rural areas through the diversification of the rural economy; creating green and decent jobs; To support environment sustainability in rural areas ensuring agro-biodiversity conservation with the sustainable use of natural resources through the identification and implementation of climate change adaptation and mitigation measures including disaster risk reduction and water basin management. <p>The main expected results:</p> <ul style="list-style-type: none"> Increased volume and value of outputs in the Agriculture Sector; Availability of financial resources for capital investment by small farmers is increased; Access to knowledge on improved agriculture technologies by small farmers is increased; Percentage of small farmers in commercial farming increased; Reduction in poverty in the rural areas including around and across the administrative boundary lines (ABLs) contributing to confidence building where politically feasible; Employment patterns in rural areas are diversified; Coherent rural development policy, approximated with EU standards, is approved Pilot rural development demand-driven actions implemented; Reduction in vulnerability of agro-systems and improvement in the resilience of the ecosystem to climate change; Improved management of natural resources in rural areas and in the agri-food sector, including sustainable agricultural land tenure practices, environmentally friendly production technologies and products; Improved sustainable management of water resources.
ENPARD I FA, TAPs/	<p>ENPARD 1 addressed the following four results, all of which form an integral part of the Agriculture Sector Strategy:</p> <ul style="list-style-type: none"> R1. Strengthened co-operation amongst small farmers in order to increase production and reach economies of scale, by establishing business-oriented co-operation forms. R2. Access to capacity building by small farmers improved

	<ul style="list-style-type: none"> • R.3. Improved efficiency of institutions involved in agriculture • R.4. Geographical Indications regulated and developed • R.5. Improved employment and living conditions in the rural areas through the diversification of the rural economy
ENPARD II AD	<p>ENPARD II expected the following results:</p> <ul style="list-style-type: none"> • Result 1: Enhanced competitiveness and sustainability of the agriculture sector. • Result 2: Improved SPS, food safety and food quality standards and procedures for inspection and control. • Result 3: Improved employment and living conditions in the rural areas through the diversification of the rural economy
ENPARD III AD	<p>ENPARD III expected the following results (fully coherent with the three priority axes of the EU rural development policy):</p> <ul style="list-style-type: none"> • Result 1: Improved rural economic diversification, employment and services. • Result 2: Enhanced competitiveness of agriculture. • Result 3: Improved environment, sustainable management of natural resources and climate action
Comprehensive Institutional Building (CIB) Support to NFA (Phase III); ex-post evaluation of the CIB 3 project	<p>EU has provided assistance to the food safety reforms since 2012 through its Comprehensive Institutional Building (CIB) Programme, which provided support for the institutional strengthening of the National Food Authority (NFA), the legal approximation process as well as the capacity development of food safety inspectors. It also helped the NFA, the Revenue Service (responsible for border inspection points) and the Laboratory of the Ministry of Agriculture (LMA) to improve their physical infrastructure and become better equipped for undertaking inspections in accordance with EU standards. The last phase of the CIB Support to NFA ended in June 2019.</p>
Association Agreement Facility; Association Agreement DCFTA	<p>The EU provided short-term TA to support to NFA under the Association Agreement Facility, with a focus on the development of a food safety strategic action plan in the scope of the upcoming Agriculture and Rural Development Strategy for Georgia 2021-2027.</p> <p>And, by mid-2020, it was intended that the EU support to food safety development in Georgia would be substantially increased with the ENPARD IV, which includes a dedicated component on food safety (budget support and complementary measures); and (2) a two-years twinning programme that will focus on the Association Agreement's DCFTA (Deep and Comprehensive Free Trade Agreement) approximation process in food safety.</p>
Justice, Rule of Law, democratic governance, and human rights	
<i>Sources of information</i>	<i>Evidence</i>
SSF 2014-2017	<p>The overall objective is a fair and efficient justice system in line with principles of Rule of Law and the protection of Human Rights with increased access to justice for Georgian citizens.</p> <p><u>The specific objectives are:</u></p> <ul style="list-style-type: none"> • To improve the criminal justice sector with due attention to human rights protection; • To implement a zero- tolerance policy against ill-treatment and to promote Human Rights in the justice sector; • To assist the Georgian Government to reform its civil and administrative justice system and to bring it into line with international standards and conventions; • To strengthen the institutional and human resource capacities of the judiciary and to ensure training; • To ensure the independence, efficiency and professionalism of the judiciary and of • Prosecution ; • To increase access to justice and legal aid for vulnerable people. <p><u>The main expected results are:</u></p> <ul style="list-style-type: none"> • Increased independence, efficiency and professionalism of the judiciary and the Prosecutor office. • Increased application of the principles of restorative principles in the Criminal Justice; • Improved conditions in prisons and other places of restriction of liberty and implementation of zero-tolerance against ill-treatment;

	<ul style="list-style-type: none"> • Capacity building of Criminal Justice/Human Rights institutions and Parliament relevant Committees; • Range of support services to victims, accused and offenders increased; • Administrative and civil justice systems are consistent with international standards and conventions; • Vulnerable persons have access to high quality legal services.
Economic development and market opportunities (DCFTA, SMEs, VET)	
<i>Sources of information</i>	<i>Evidence</i>
Action Document for Support to EU-Georgia DCFTA and SMEs, 2014	For the results framework for Action Document for Support to EU-Georgia DCFTA and SMEs see I 1.1.3
RECOMMENDATION No 1/2017 OF THE EU-GEORGIA ASSOCIATION COUNCIL of 20 November 2017 on the EU-Georgia Association Agenda [2017/2445]	<p>There was initially no breakdown in short, medium and long-term objectives. The updated and refocused the 2014-2016 Association Agenda and set new priorities for joint work for the period 2017-2020. For the first time, the document distinguished between short-term priorities (which should be achieved or on which significant progress should be made by end 2018) and medium-term priorities (which should be achieved or on which significant progress should be made by end 2020).</p> <p>For example short-term and medium-term priorities for Trade in Goods were defined as follows:</p> <p>Short-term priorities</p> <ul style="list-style-type: none"> • Further improvements in the area of trade statistics; • Ensuring that no increase of currently applicable import duties in trade between the parties takes place following the entry into force of the Agreement (standstill clause); • Support Georgia to increase the diversification of Georgia's export structure, including export of new products to the EU market; • Close cooperation with a view to applying effectively the anti-circumvention mechanism; • Assisting Georgia in drafting and implementing legislation it may intend to prepare on market access or other related issues (i.e. trade remedies); • Ensuring exchange of information on market access-related developments and policy on market access. <p>Medium-term priorities</p> <ul style="list-style-type: none"> • Developing legislation which Georgia committed to implement on the basis of the Association Agreement as provided in its Technical Barriers to Trade Strategy (TBT); • Developing infrastructure related to administration of standards, technical regulations, metrology, market surveillance, accreditation, and conformity assessment procedures, including through EU support; • Facilitating the preparation and adaptation of stakeholders, including economic operators, for the implementation of approximated legislation; • Continuing the implementation of the Market Surveillance Strategy for industrial goods; — In the Market Surveillance field, strengthening administrative capacities of relevant Georgian state institutions and market surveillance bodies; • Further staff training for the administration of responsible government bodies and agencies; • Exchanging information on all relevant aspects of the Georgian TBT and Market Surveillance Strategies, including timeframes as applicable.
SSF 2014-2017	<p>Trade and market opportunities were not identified as priority sector in the SFF 2014-2017. There is only a brief mentioning under the priority area Agriculture and Regional Development:</p> <p>The diversification of economic activity [will] include specialist manufacturing and services, the establishment of a modern social and technical infrastructure, and the provision of targeted vocational education and training. The focus will, therefore, be upon extending the support being provided to Agriculture and Regional Development by stimulating the diversification of the rural economy, or, in other words, by stimulating a comprehensive</p>

	rural development approach. The objective is to reduce dependency upon primary agriculture as a source of household income and to promote social inclusion and poverty reduction in rural areas.
SSF 2017-2020	<p>The overall objective is to contribute to reducing the trade deficit, promoting investment and innovation and fostering smart, sustainable and inclusive growth and resilience in Georgia and its regions, including market opportunities, business development, agriculture and territorial development.</p> <p><u>Specific objectives include:</u></p> <ul style="list-style-type: none"> • to reap the full benefits of the AA/DCFTA and regional trade, to improve the business operational and financing environment, to facilitate the substitution of imports, to boost exports and investment, to promote business sophistication models, to enhance innovation and technology transfer towards business and strengthen business-related capacities of key institutions including by using the potential of the digital economy (specific objective 1); • to support structural reforms to improve economic performance and governance, in cooperation with the IMF and World Bank (specific objective 2); • to support a broader and easier access to finance, including through non-bank finance (specific objective 3); • to improve the competitiveness of the agricultural and of the agri-food sector ; to improve employment and living conditions in coastal and rural areas through diversification of the coastal/rural economy and developing infrastructure links (specific objective 4). • to reduce disparities, especially in terms of growth and jobs, between the levels of development of the various regions by means of a multi-sectoral approach, including investments related to specific objectives 1-4. (specific objective 5). <p><u>The main expected results include:</u></p> <ul style="list-style-type: none"> • For specific objective 1: Georgian exports diversify and increase (both in volume and value), participation to regional and international value chains is enhanced, production systems are improved and efficient business networks are established in pilot sectors. Trade is facilitated, including through coordinated border management and improved customs management. • For specific objective 2: Small and Medium Enterprises (SME) strategy is implemented. The Georgian institutions' capacity to deliver better services for businesses is improved (inter alia through a "one stop shop" approach and digital economy); • For specific objective 3: access to finance is broadened through a modernised financial infrastructure, allowing for alternative financing and better collateralisation conditions (including for women, youth and disadvantaged groups), improved regulation and functioning of credit bureau/registries, enhanced consumer/depositor/investor protection and reduced dollarization, and through the development of the local capital market. • For specific objective 4: trade balance of Georgian agri-food sector is improved. Quality and coverage of food safety/Sanitary and Phytosanitary Standards (SPS) inspections and controls are increased as well as competitiveness in selected sub-sectors with high potential for export and/or import substitution. Better living conditions and employability of rural population will be measured by an increased access to credit, insurance and increased income of population in the pilot regions. • For specific objective 5: disparities between regions and between urban and rural areas in Georgia are reduced and the competitiveness of regions is strengthened. The contribution of the regions outside Tbilisi to balanced economic growth and the competitiveness of Georgia is enhanced.
Connectivity	
<i>Sources of information</i>	<i>Evidence</i>
Environment & CC	The updates of the main strategic documents provide evidence that the Env. & CC strategies evolve with the developments of broader frameworks. The Eastern Partnership policy beyond 2020 is fully aligned with the EC Political Guidelines for 2019-2024. The identification of "20 Deliverables for 2020" marked a new approach with the adoption of the common reform agenda focused on tangible results in focus policy areas. The EaP strategy beyond 2020 is also aligned with the EU new growth strategy, the European Green Deal. The Action Document on EU Resilience facility provides reference to the European Green Deal target of making the EU the first climate-neutral continent by 2050 and the EU's goal to support the transition to green economy even in its response to the COVID-19 outbreak.

SFF 2017 – 2020	<p>Overall objective: to enhance the connectivity in terms of energy and transport, environmental and energy governance, sustainable development of infrastructures and management of resources (including energy) and support for circular economy.</p> <p><u>Specific objectives:</u></p> <ul style="list-style-type: none"> • to enhance energy efficiency, to increase energy independence including through energy sector reforms, the promotion of energy efficiency improvements, use of untapped renewable energy sources and boosting investments in low emission technologies (Specific Objective 1); • to build, rehabilitate and upgrade infrastructures and to promote energy interconnections for market development and security purposes (Specific Objective 2); • to develop the circular economy, meet Paris targets on emission reduction and adaptation to climate change, to enhance environmentally-friendly policy making, to support implementation of new EIA/SEA legislation, to promote sustainable production and consumption, to strengthen the capacity for environmental protection and resilience, to support the extension of sustainable waste, wastewater and water management systems as well as recycling facilities and actions to minimise the production of waste (Specific Objective 3); • to enhance the governance of the connectivity sector to assist prioritisation of key actions and to deliver on commitments such as TEN-T. This includes investments in transport, water and sanitation, waste management, energy (including energy efficiency) and social infrastructures (Specific Objective 4). <p>For each of the specific objectives the main expected results include:</p> <ul style="list-style-type: none"> • For specific objective 1: reduced seasonal dependence on energy imports, increased supply of energy from renewable sources, increased market competition and transparency, and enhanced energy efficiency in the whole country; • For specific objective 2: stable, affordable and reliable energy supply (energy security) and strengthened domestic production and infrastructure; • For specific objective 3: reduced levels of air pollution, better inclusion of climate change impact in policy making, improved monitoring, collection, management and sharing of environmental data, improved water and wastewater municipal infrastructure, introduction or upgrade of waste collection systems (including hazardous and medical waste) and better valorisation and minimisation of waste, including improved recycling; • For specific objective 4: implementation of transport interconnection internally and with neighbours, increased capacity to plan, budget and prioritise infrastructure projects according to TEN-T and AA/DCFTA provisions.
Eastern Partnership policy beyond 2020 - reinforcing Resilience	<p>Fully aligned with the European Commission's Political Guidelines 2019-2024</p> <p>The EaP Summit of November 2017 in Brussels marked a new approach with the adoption of the common reform agenda titled '20 Deliverables for 2020'. This ambitious work plan focused on delivering tangible results on the ground and improving the lives of people in four main policy areas: (1) stronger economy; (2) stronger governance; (3) stronger connectivity; and (4) stronger society, together with targets for the cross-cutting issues of gender, civil society, media and strategic communication.</p>
Energy	
ENI/2019/412-869 & ENI/2019/412-866 Programme for Energy Efficiency in Public Buildings in Georgia – EBRD & KfW Part ENI/2019/404204 GESR	<p>The main impacts of the Action are the increased adoption of the improved EE standards and regulatory framework, greater practical knowledge and experience and the faster development of the EE market (availability of technologies and suitable contractors) in the country. The Action contributes to increased energy security through realised energy savings and reduces deforestation by lower use of unsustainable firewood. It reflects the Government's commitment for climate change mitigation through reducing GHG emissions. The Action will indirectly contribute to higher EE of all public buildings (ca. 5 000), making a significant impact to the national energy consumption and energy performance of the public sector.</p> <p>EE measures are expected to generate at least 20% savings compared to the (theoretical) baseline consumption with appropriate heating and lighting levels while current practise of under-heating is eliminated. The Action will provide comfortable and safe learning and building conditions in schools and other public buildings, solves under-heating issues and therefore contribute positively to livelihoods. Appropriate and measurable indicators to determine non-financial benefits of comfort level improvements will be developed under the TA with support of the GoG. The Action supports the construction sector through job-creation and thus has an impact on country's economic growth.</p>

<p>ENI/2017/390-659 Extension of the Georgian Transmission Network</p>	<p>The Action will lead to enhanced security of electricity supply within Georgia as well as to/from neighbouring countries, especially Turkey. The reliability of electricity supply will be ensured by new infrastructure constructed according to the international standards. The stable energy supply lays the basis for economic development, thus creating employment opportunities and thereby alleviating poverty. Furthermore, the provision of grid transmission infrastructure stimulates the needed private investment into HPP generation.</p> <p>The Action contributes to the fulfilment of the GoG's TYNDP. Besides, Georgia's role as energy hub in the south Caucasus and beyond is of high regional importance. By fostering the regional integration of the energy systems the use of export/import capacities can be optimised and leads to a more efficient use of resources.</p> <p>In view of the fragile political situation in the region, the Action also allows for strengthening of regional integration and the increased cooperation in the energy sector, contributing to stability and the reduction of conflicts in the region.</p>																																				
<p>ENI/2018/403-314) Enguri Hydro Power Plant Rehabilitation Project: Climate Resilience Upgrade</p>	<p>The Project is vital to the financial, economic and environmental sustainability of the region.</p> <p>Considering that the Enguri HPP supplies c.35% of Georgia's electricity it is economically essential that this HPP maintains a high level of efficiency and productivity. It is estimated that the domestic electricity tariff would have to increase by over 5% should the EU contribution not be available.</p> <p>The rehabilitation of the Enguri HPP and the EU contribution to the Project will have positive long-lasting effects. The rehabilitation of the road will improve communications with the Georgian breakaway region of Abkhazia and allow for better and safer access to the region. The EU contribution will also positively contribute to communication and visibility efforts in the region, as the EU presence in the region is seen as a confidence builder, contributing to the maintenance of political stability and safety of the community. Approximately 45% of electricity generated by the Enguri HPP supplies the Georgian breakaway region of Abkhazia as a result of an agreement between the Government of Georgia and the de facto authorities of the Georgian breakaway region of Abkhazia. Through a higher production capacity, the Government can maintain this contribution whilst ensuring that the domestic tariff for the people of the Tbilisi-administrated part of Georgia remains affordable. In terms of environmental outputs, the Project is expected to add to the renewable energy profile of Georgia by increasing energy output and efficiency of the plant, with an anticipated increase in power production of 250 GWh/year (equivalent to CO2 emissions savings of 83 250 tons). Thus, the rehabilitation of the Enguri HPP is vital to the economic and political stability of the region, the assurance of environmental standards, and EU involvement in the Project sends a positive message to the local and regional community.</p>																																				
<p>Transport</p>																																					
<p>Technical Assistance for Georgia Transport Connectivity– Phase 1" financed from the general budget of the European Union under the Neighbourhood Investment Platform ENI/2018/403-497</p>	<p>Project Indicators and Expected Results</p> <p>The main development impact indicators that will be monitored by the Bank at the Project level are the following:</p> <table border="1" data-bbox="510 965 1713 1404"> <thead> <tr> <th data-bbox="517 970 884 1133">Indicator</th> <th data-bbox="891 970 996 1133">Units</th> <th data-bbox="1003 970 1131 1133">Baseline value (X) (2016)</th> <th data-bbox="1137 970 1288 1133">Expected value after the project (Y) (2022)</th> <th data-bbox="1294 970 1433 1133">Expected result (=Y-X)</th> <th data-bbox="1440 970 1706 1133">Comments</th> </tr> </thead> <tbody> <tr> <td colspan="6" data-bbox="517 1141 1706 1173">Standard Outputs</td> </tr> <tr> <td data-bbox="517 1177 884 1268">Length of road built or upgraded (road safety civil works)</td> <td data-bbox="891 1177 996 1268">Lane x km</td> <td data-bbox="1003 1177 1131 1268">10 km</td> <td data-bbox="1137 1177 1288 1268">Up to 253 km</td> <td data-bbox="1294 1177 1433 1268"></td> <td data-bbox="1440 1177 1706 1268">Length of road built or upgraded (by type).</td> </tr> <tr> <td colspan="6" data-bbox="517 1276 1706 1308">Standard Outcomes</td> </tr> <tr> <td data-bbox="517 1313 884 1388">Beneficiaries, users of upgraded roads</td> <td data-bbox="891 1313 996 1388">number</td> <td data-bbox="1003 1313 1131 1388">20 000</td> <td data-bbox="1137 1313 1288 1388">24 000</td> <td data-bbox="1294 1313 1433 1388"></td> <td data-bbox="1440 1313 1706 1388">To be estimated for each allocation.</td> </tr> <tr> <td colspan="6" data-bbox="517 1396 1706 1428">Project specific indicators</td> </tr> </tbody> </table>	Indicator	Units	Baseline value (X) (2016)	Expected value after the project (Y) (2022)	Expected result (=Y-X)	Comments	Standard Outputs						Length of road built or upgraded (road safety civil works)	Lane x km	10 km	Up to 253 km		Length of road built or upgraded (by type).	Standard Outcomes						Beneficiaries, users of upgraded roads	number	20 000	24 000		To be estimated for each allocation.	Project specific indicators					
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	Blackspots improved	#	0	10	10	Works completion certificates
	Road fatalities saved	Lives / year	0	30%	30%	Measure of fatalities WOP and WP. Current level not known but will be determined during project development. To be estimated for each allocation.
	Time savings	Million h/year	1-3	TBD		Travel time savings is a function of the amount of time consumed and the value of that time. It is the difference between the WOP and WP scenario. To be estimated for each allocation.
	Socio economic saving	EUR	0	Losses before	Losses after	To be estimated at the implementation stage
	Awareness raised on road safety issues	N/A		Awareness campaigns delivered	Awareness campaigns delivered	Awareness target group survey
	Cross sector indicators					
	Total number of beneficiaries	AADT				Average Annual Daily Traffic (AADT).
	Number of beneficiaries living below the poverty line	# (and/or %)				TBD
	Greenhouse gas emissions impact	CO2 ktons eq/yr				To be estimated for each allocation.
	Direct employment: Construction phase	# (FTE)		9,776 man yrs	9,776 man yrs	TBD
	Direct employment: Operations and maintenance	# (FTE)				To be estimated for each allocation.
The World Bank Fourth East West Highway Improvement Project (P130413)	Key project results included a reduction of 30% in travel time from Agara to Zemo Osiaur (Kashuri), a reduction of 5-10% in vehicle operating costs (due to improved road International Roughness Index IRI), and 74% reduction in fatality rates along the Tbilisi-Senaki section of the E60. The achievement of these targets (overachievement in the case of road fatalities) was the direct result of the completed Highway section Agara to Zemo Osiaur (12km) under component 1, for which the main civil works were completed in July 31, 2017. It was also the result of the implementation of road safety improvement works along the E60 Tbilisi-Senaki section. Accordingly, all targets for the first sub-objective were achieved, except the					

	increase in asset value of the EWH (see the table below). The asset value indicator was underachieved due to the delay in completion of Samtredia-Grigoleti section and upgrading of Zemo Osiauri-Chumateleti Lot 2 section, which was terminated in December 2018 and is currently under bidding under a different project (EWHCIP).
European Neighbourhood Instrument (ENI) – 2017-2020 Single Support Framework for EU support to Georgia (2017-2020)	For specific objective 4: implementation of transport interconnection internally and with neighbours, increased capacity to plan, budget and prioritise infrastructure projects according to TEN-T and AA/DCFTA provisions.
Mobility	
<i>Sources of information</i>	<i>Evidence</i>
SSF 2017-2020	<p>Overall objective: to enhance mobility of citizens, sustain fulfilment of the visa liberalisation benchmarks, develop human capital and skill sets and strengthen the coordination between the education and training system and the labour market.</p> <p>Specific objectives include:</p> <ul style="list-style-type: none"> • to enhance employability, foster skills development and better match between education and labour market, e.g. through raising the quality of vocational education and training, through strengthening entrepreneurial and creative skills, developing adult's training and learning through life-long learning active labour market policies and development of quality education in Georgia (specific objective 1); • to sustain the fulfilment of all benchmarks of the Visa Liberalisation Action Plan and support the Mobility Partnership (specific objective 2); • to strengthen the inclusion of disadvantaged groups (including minorities, IDPs and other conflict affected persons) in mainstream education (specific objective 3); • to support innovation and research including fostering research/industry partnerships (specific objective 4). <p>For each of the specific objectives the main expected results include:</p> <ul style="list-style-type: none"> • For specific objective 1: more and better employability (in particular for youth, women and disadvantaged groups) through an active labour market policy (ALMP) developed and implemented, Vocational and Educational Training (VET) reform implemented, Labour Market Information System (LMIS) operational, regional expansion of available European education offer. • For specific objective 2: improved and secure mobility between Georgia and Europe, successful implementation of integrated border management (IBM) projects; improved safety and security at the borders through integrated border management and modernisation of border control services; effective fighting against irregular migration (including human trafficking) and engagement in line with the EU's policy of engagement and non-recognition of the breakaway regions, including through enhanced reintegration of communities within the breakaway regions. • For specific objective 3 : more resilient inclusive society in Georgia; young people, women, IDPs and other conflict affected persons, minorities and other vulnerable groups gain access to quality education and training. • For specific objective 4 : Increased opportunities and enhanced partnerships in the area of research and innovation.

I-1.2.2 Adequate design of cooperation support in terms of the level of interventions (e.g., local vs central level), and actors targeted (e.g., private sector, local authorities, national institutions, civil society).

I-1.2.3 Evidence that linkages between levels of interventions (regional, national, local) were foreseen in order to achieve synergistic effects at high strategic level.

All country-level support in Georgia was aligned with the Eastern Partnership regional strategy, in particular the 20 Deliverables document. The Action Document for Support to EU-Georgia DCFTA and SMEs foresaw strong linkages between national and regional levels of support, and the EU supported Georgian SMEs through the multilateral policy dialogue as well as EU regional programmes such as the SME Flagship Initiative. In the Connectivity area, Georgia was supported to participate in a number of regional initiatives. In-country, the sector where support at national and local levels was most articulated was agriculture and rural development through ENPARD, which explicitly supported local initiatives as well as meso-level capacity building at decentralised regional ministries of territorial development. PAR and PFM support also reached to the decentralised level.

A wide range of actors were targeted by EU cooperation. CSOs, as discussed elsewhere, were actively supported by the EU, which has increasingly reached out beyond well-established Tbilisi NGOs to reach other areas. Actions targeting the private sector concentrated on SMEs, who make up by far the largest number of Georgian firms. With EU financing, the by the EBRD provided direct tailored technical assistance to individual SMEs, helping them adapting to the demands of a market economy; in addition, the SME Finance Facility, a funding instrument through European Finance Institutions, support long-term funding to the SME sector, particularly in agriculture. In RoL, Georgia participated in regional projects having to do with drugs, the fight against organised crime, and good governance.

<i>Evidence</i>	
Overall assessment of quality and credibility of evidence	Taken together, these indicators are so broad as to be comprehensive, and information on vertical (national, regional, local; public and private sectors at bilateral level) and horizontal (regional and bilateral programmes). As these issues have been only superficially addressed so far, evidence on this indicator is assessed to be Weak .
General	
<i>Sources of information</i>	<i>Evidence</i>
Thematic evaluation of cooperation with LAs, Georgia case study	<p>EU has an extensive history of supporting local authorities in the country, with longest and financially most substantial being the support to regional development. Already in the 2007-2013 country strategy paper, the EU committed itself to the improvement of the capacity of local public authorities which were at that point in time newly established, but there were not specific plans for operationalising this commitment. In the 2011-2013 national indicative plan, this commitment was further detailed with the EU specifying that it aimed for enhanced capacities of local authorities to develop local and regional plans including in areas such as: decentralisation of functions and powers of central government and financial autonomy. This also with a view to strengthen local governments in line with the European Charter of Local Self-Government.⁵ Finally the most recent macro-strategic framework, the Single Support Framework 2017-2020 reiterates the support to local authorities, highlighting the need to improved local governance (especially anti-corruption) as well as the promotion of a merit based LA administration that promotes a fair and transparent implementation of human resource management principles. [...]</p> <p>EU has only limited political relations with LA and ALAs, although the cooperation and support to NALAG has graduated to a more strategic level. On the other hand, LAs mostly have projectized relations with EU, thus being time-bound and focused by sector. However, more informal political relations are clearly also taking place especially between EUD, CoR and NALAG but also between EUD and the two sister initiatives of CoM and M4EG. ... The LAs and ALAs are thus often perceived as implementers of policy and less so as independent actor in their own rights, which is also a recurrent observation from analysing the policy frameworks such as the association agreement, but especially NALAG has become an important partner to EU, also in the context of shaping the future policy frameworks for Las. [...]</p>

	<p>The efforts in this space can be characterised as incremental and initially localised. The private sector is obviously engaged in concrete LED activities under M4EG, but the scope is usually thematically confined and timebound, but the PPP approach may nevertheless prove permanent if successful. The N4ED is a more systemic attempt to have structured engagement of both the local communities and the private sector and initial indications are so far promising, which mainstreaming nationwide now happening, a clear indication of the value to the approach, than may also inform the current decentralisation process (I-6.1.1). Many of these initiatives also have strong focus on increasing transparency and dialogue among local stakeholders, whereas there is still limited progress changing the fiscal intergovernmental equalisation regime that could boost the process. Again, the N4ED is arguably the most systemic attempt here, having strong bottom-up institutional mechanisms for engagement of local stakeholders.</p> <p>[...]</p> <p>The framework conditions have only changed slowly and gradually, which has also reduced the scope for more transformative engagements in terms of improving accountability. However, EU has worked with especially NALAG (through the N4ED and previous projects) to strengthen horizontal and bottom accountability linkages through the engagement of community organisations and the local private sector. This clearly has the potential to increase transparency and embed the LAs more organically in their constituencies and improved participation of citizens, local CSOs and businesses.</p>
PAR	
<i>Sources of information</i>	<i>Evidence</i>
<p>Action Document, EU4ITD CRIS: ENI//2019/041-934, Annex 2)</p> <p>EU4ITD, Financing Agreement, SRPC, signed EC September 2020, Annex 1, TAPs</p>	<p><u>Support to decentralised PAR/PFM</u></p> <p>The EU has assisted decentralised PAR and PFM through its support to government at the sub-national level, in line with the GoG Regional Development Programme (RDP) 2018-2021, the Decentralisation Strategy 2025 and the Pilot Integrated Regional Development Programme (PIRDP) 2019-22. The EU SRC, EU4ITD is in line with the two overall objectives of Sectors 1 and 2 of the SSF for Georgia 2017-2020, and especially under Sector 2, "to consolidate Public Administration reform; to strengthen the structures and processes of local governance". The EU4 Economic Governance and Fiscal Accountability, which commenced in 2019, also supports fiscal decentralisation, as an important aspect of empowering local self-government within in the context of territorial development.</p> <p>Through its Decentralisation Strategy, 2020-2025, the government confers more responsibilities to municipalities, including more accountability and more funding and there are three main dimensions or pillars: increasing powers of local authorities; fiscal decentralisation and citizens' involvement and transparency, all of which attempt to contribute to the increase in public welfare, enhance the role of citizen and community groups and encourage more efficient public service delivery to address the increasing demands from the population. (The GoG was developing its first service delivery strategy to harmonise the national approach to identify, design and provide quality assurance of service delivery and the strategy was due to be presented for GoG approval in the fourth quarter of 2019.) The first pillar aims at increasing the role of the local self-governments in solving a significant part of public affairs either through the elimination of the existing formal and informal barriers or through providing more powers and authority to the local level, based on the principle of subsidiarity. The second pillar focuses on the provision of more appropriate material and financial resources to local authorities (including increasing the sharing of income tax receipts) and stimulating a more regular growth in the municipalities' own revenues. The third pillar considers the establishment of a comprehensive framework for more reliable, accountable, transparent and result-oriented local self-government with an increased involvement of citizens and more effective multi-level governance features, including inter-municipal cooperation.</p> <p>While capital investment in the regions remains high – the amount being spent on projects through the Regional Development Programme 2018-2021 for instance is set at GEL 18 billion, a sharp increase on the GEL 3.9 billion allocated for 2015- 2017 - this increase is mainly attributed to the GoG commitments in infrastructure and education and, to a lesser extent, to cover new measures linked to other sector line ministries (e.g. economic development, agriculture and tourism). (see also new section under EQ 6 on regional and territorial developments)</p>
<p>Action Document, EU4ITD CRIS: ENI//2019/041-934, Annex 2)</p>	<p><u>The divergence between achieved improvements and the public's poor perception</u></p> <p>A 2017 survey conducted by UNDP in the regions shows satisfaction of citizens towards local services (infrastructure, kindergarten, social services, etc.) although they observed an evident lack of civic engagement, including in planning and monitoring of local development projects. The trust of Georgian citizens in local administration remains average. This is despite the overall progress in PFM through 2017 and 2018, as evidenced by the PEFA findings, which included positive emphasis on the engagement of citizens in the budget process.</p>

EU4ITD, Financing Agreement, SRPC, signed EC September 2020, Annex 1, TAPs	
PFM	
<i>Sources of information</i>	<i>Evidence</i>
Georgia Action Fiche for Support to PFPR, EC Implementing Decision on the AAP, 2013, Annex 1	<ul style="list-style-type: none"> • A strong emphasis will be put on increasing efficiency in the management of public funds with a specific focus on accountability and transparency by directly and publicly involving a higher level of political and institutional responsibilities within the country's system of checks and balances. The proposed programme will also facilitate a more informed oversight by non-state actors and citizens. • The programme will also contribute to external scrutiny and accountability of the government via annually prepared and published "Citizens' Guide to the Annual State Budget" (encouraging participation of all citizens) and extending to upper government level (i.e. Parliament) through increased accountability of the GoG in respect of Parliament's recommendations. • Public internal financial control will be further strengthened on a horizontal level, with audit units established in all line ministries. <p>Strengthening external audit is one of the key results of the programme, including developed and implemented external communication with a special attention to the public and to the Parliament.</p>
Georgia Action Fiche for Support to PFPR, EC Implementing Decision on the AAP, 2013, Annex 1	The PFM reform discussions will cover review of how Georgia can extend PFM systems at sub-national levels (within both medium and long term): "A study of Fiscal Governance in relation to EU fiscal rules in relation to Georgia's perspectives of fiscal decentralization will be published and allow broad based, participatory discussions related to approximation of Georgia's PFM systems to EU in the medium and long term perspective".
Georgia Action Fiche for Support to PFPR, EC Implementing Decision on the AAP, 2013, Annex 1	"Strengthened medium-term strategic planning framework duly reflected in the annual fiscal planning" includes sector line ministries and agencies thereby extending the reform process on a horizontal level.
<p>"Summary of work on GRB: Project to Support the Inter-Agency Commission on Gender Equality, Violence Against Women and Domestic Violence of Georgia (2017-2019), NIRAS, 2019;</p> <p>"Action Plan for Gender Responsive Budgeting: Institutionalizing GRB for effective and efficient resource allocation towards a better future for all, 2020-2023", Draft, NIRAS, March 2019; "Action Plan, Gender Responsive Budgeting 2020-2023", NIRAS, 2020)</p>	<p><u>Gender budgeting</u></p> <p>Work commenced in the spring of 2018, to conduct pilot work on preparing for Gender Responsive Budgeting" and how to apply such a gender analysis to budget programmes within the Georgian context, providing a case study for learning at the central level and to develop a strategy for introducing GRB within the current PFM system. Following a "high level GRB briefing" with key actors at Deputy Minister level and other senior public officials on 11th -13th April 2018, it was agreed that there would be a series of one-to-one high level advocacy and knowledge building meetings followed by workshops to build capacity within Working Groups to prepare the ground for work on GRB work in pilot sectors. Based on the selection of three pilot budget programmes with the Ministry of Justice, Ministry of Interior and the Ministry of Labour, Health and Social Affairs, a series of working groups were set up to build capacity in GRB and support the carrying out of pilot GRB analysis in the selected budget programmes in three workshops (in May, June and July). In parallel to the workshops, meetings were held with relevant actors in public institutions with the aim of building sustainable support for GRB. Between August and November the outcomes of the pilot analysis were consolidated and reports prepared. A shorter consolidated version of the reports was published as evidence of good practice in GRB analysis developed a methodology, as a basis for further GRB work. The first results of the pilot GRB exercise were integrated in the description of these budget programmes in the budget programme annex for 2019, with the intention of expanding the experience to other ministries in subsequent years. In addition to pilot work a study visit to Austria (Vienna) contributed to the development of a practical knowledge-base in this field.</p>

<p>Action Document, EU4ITD CRIS: ENI//2019/041-934, Annex 2)</p> <p>EU4ITD, Financing Agreement, SRPC, signed EC September 2020, Annex 1, TAPs</p>	<p><u>Civil society involvement in PFM</u> The PFM Coordination Council, which coordinates policy amongst different PFM stakeholders, includes the participation of representatives of civil society organisations.</p>
<p>Agriculture & rural development</p>	
<p><i>Sources of information</i></p>	<p><i>Evidence</i></p>
<p>ENPARD I</p>	<p>Targets farmers throughout the country, including Abkhazia; targets local communities (pilot municipalities) through the LEADER approach and LAGs for participatory rural development initiatives;</p> <p>ENPARD I is complementary to various other EU funded actions ongoing in the fields of food safety, regional development and vocational education, which cross both national and sub-national levels and actors within these levels. The following results were expected: at national level, improved efficiency of institutions involved in agriculture, including capacity building to the Ministry of Agriculture (MoA) and the Cooperative Development Agency (ACDA) in Tbilisi and the Ministry of Agriculture of the Autonomous Republic of Ajara. Country-wide results covered strengthened cooperation amongst small farmers to increase production and achieve economies of scale by establishing business-oriented cooperation forms, such as small farmers' cooperatives; improved access to capacity building was provided for small farmers via the organisation of an agricultural extension system based on district level consultation & information centres. The pilot rural development measures were designed to improve employment and living conditions in rural areas, beginning with the 4 pilot regions. Using the LEADER approach, Local Action Groups (LAGs) were set up to encourage participation at local level, adopting an inclusive approach (i.e. "leave no-one behind") designed to involve women and young people, where decision making is at local level. Oversight of the programme is entrusted to an ENPARD Steering Committee at national level, which meets at least three times a year to assess progress in the implementation of the programme. An ENPARD Stakeholders Committee, which was established by the MoA through a ministerial decree, operates as an advisory body.</p>
<p>ENPARD II</p>	<p>Targets more local communities (pilot municipalities) through the LEADER approach and LAGs for participatory rural development initiatives. The transition to rural development was logical in terms of the goal of income generation. ENPARD II augmented the pilot rural development initiatives begun under the previous phase with the extension of local action groups (LAGs). The Complementary Measures were a series of grants for; implementation of rural development measures using the LEADER approach in specific municipalities and pilot rural development measures in selected areas and this involved civil society through the participation of non-governmental organisations (NGOs). Work continued through FAO TA and UNDP support for building MoA capacity at central level, including supporting the preparation of the Strategy for Agriculture Development of Georgia (SADG) 2015-2020.</p>
<p>ENPARD III</p>	<p>ENPARD III included Complementary measures which provided grants to support improved livelihoods in disadvantaged rural areas so as to target more local communities (pilot municipalities) through the LEADER approach and LAGs for participatory rural development initiatives. At central level FAO and UNDP provided TA support to the implementation of the Agricultural Development Strategy and the Rural Development Strategy.</p>
<p>ENPARD IV</p>	<p>ENPARD IV covers two components: food safety and sanitary and phytosanitary (SPS) measures and rural development. Assistance is provided in the food safety and SPS sector¹ (food safety) to enhance consumer protection in Georgia and to facilitate exports of safe Georgian products to EU Member States, taking advantage of the opportunities available under the DCFTA, as well as potentially to other countries, building on the achievements of the Comprehensive Institution Building (CIB)² Programme and of previous ENPARD phases (in particular, ENPARD II which had a component on food safety). It provides further support to the NFA for improved inspection and control systems, and to continue the legal approximation process, including enforcement of newly adopted regulations. ENPARD IV also supports other economic actors - food business operators (FBOs) - in their efforts to adapt to such reforms. Support to rural</p>

	development continues (using the bottom-up LEADER approach and LAGs), aiming to improve the economic and social integration of vulnerable households in disadvantaged rural regions, including eco-migrants, conflict affected people (IDPs and their host communities), ethnic minorities, Georgian returnees and newly arrived migrants. The aim is also to enhance civic participation in the regions through increased civil society involvement in local decision-making processes by actively promoting and encouraging participation of youth and women, noting the specific needs and constraints of these groups. Support is expanded to additional municipalities under the four focal regions jointly identified by the EU and the GoG (namely Kakheti, Imereti, Guria, and Racha-Lechkhumi & Kvemo Svaneti)Targets more local communities (pilot municipalities) through the LEADER approach and LAGs for participatory rural development initiatives.
NFA CIB Phase (National Food Agency, Comprehensive Institution Building Programme)	The assistance which had begun in 2012 and finished in 2019 provided support to institutional strengthening of the NFA, with the aim of providing a "robust and integrated food safety system" with policies aligned to those of the EU and to provide the legislative basis, the institutional framework, capacity in food safety and Sanitary and Phytosanitary requirements of the DCFTA.
Economic development and market opportunities (DCFTA, SMEs, VET)	
<i>Sources of information</i>	<i>Evidence</i>
Action Document for Support to EU-Georgia DCFTA and SMEs, 2014	<p>The Action Document for Support to EU-Georgia DCFTA and SMEs foresaw strong linkages between national and regional levels of support: The EU continues to support Georgian SMEs through the multilateral policy dialogue (Trade and SME Panel, including the Small Business Act assessment) as well as EU regional programmes. The most relevant regional programme "SME Flagship Initiative" is structured around three components: East-Invest, a trade facilitation initiative whose beneficiaries are Georgian SMEs and business support organizations (BSOs); Small Business Support implemented by the EBRD and providing direct tailored technical assistance to individual SMEs, helping them adapting to the demands of a market economy; SME Finance Facility, a funding instrument through European Finance Institutions designed to support long-term funding to SME sector. In Georgia this programme has mainly supported the agriculture sector.</p> <p>The EBRD country's strategy is built around three pillars: private sector/SMEs development, energy and logistics infrastructure. EBRD supports Georgian SMEs through the Small Business Support regional programme (EU funded), which provides direct tailored technical assistance to individual SMEs, helping them adapting to the demands of a market economy.</p> <p>Complementary support A considerable amount (EUR 21 million) is foreseen for complementary support to cover a comprehensive range of issues relating to trade and private sector development. The programme foresees the following complementary supporting measures, e.g. grants to strengthen the role of CSOs and business associations, building on previous support already provided at regional level.</p>
Recommendation No 1/2017 of the EU-Georgia Association Council of 20 November 2017 on the EU-Georgia Association Agenda [2017/2445]	The EU-Georgia Association Council recommended to strengthen synergies with regional level support, e.g. through the development of the thematic cooperation and information exchange, including by making best use of the Joint Declaration on a Regional Policy Dialogue between the European Commission and the Government of Georgia.
Technical Assistance to VET and Employment Reforms in Georgia, Inception Report, 2014	<p>The inception report of Technical Assistance to VET and Employment Reforms in Georgia outlined several opportunities for synergies between national and regional activity levels:</p> <p>International organisations play active role in the area of VET and Employment. ETF has contributed significantly to the elaboration of the concept on Labour Market Information System (see the ETF concept note and roadmap on LMIS). In addition to this, ETF plans to involve Georgian counterparts in number of regional initiatives in the areas of VET and Employment. Namely, the topics of regional cooperation include: Torino Process (the self-assessment of VET system), Skills Anticipation and Matching, National Qualifications Framework, development of Work-Based learning, and finally skills dimension of labour migration (migrant support measures from employment and skills perspective- MISMES).</p> <p>The strategy considers the activities to support social dialogue and develop tripartite dialogue on a regional level. Until now tripartite cooperation existed only in the field of vocational education.</p>

	<p>The project approach involves a wide range of stakeholders at the national, but also at the regional and local levels, as a fundamental prerequisite to achieve practical results and to build up ownership.</p> <p>The beneficiaries and at the same time the project partners are the MoES, the MoLHSA and their associated institutions, and to a limited extent also the EUD. Beneficiaries' staff from central and regional levels will be involved in project activities as consultative partners to agree standards, models and procedures, as target group for qualification and training, as well as for monitoring and evaluation of the project implementation process.</p>
Action Document for Support to EU-Georgia DCFTA and SMEs, 2013	<p>Support to EU-Georgia DCFTA and SMEs targeted and involved a broad range of state and non-state actors at national and local levels: The main stakeholder of the programme is the MoESD, responsible for the implementation of the budget support activities. The MoESD has also responsibilities over the agencies "Entrepreneurship Development Agency (EDA)" and "Georgian Agency for Technology and Innovation (GITA)". Other stakeholders are:</p> <ul style="list-style-type: none"> • Trade-related agencies under the MoESD (GEOSTM, GAC, TCSA, Competition Agency, Public Procurement Agency, Saakpatenti) • Sector Economy and Economical Policy Committee of the Parliament (to support the MoESD in drafting the required DCFTA-related legislation) • NFA under the Ministry of Agriculture • Customs under the Revenue Service of the Ministry of Finance • Line ministries with thematic interfaces with the MoESD • Local/regional authorities • GeoStat (National Statistics Office) - responsible for trade statistics and improving SMEs surveys • CSOs (academic institutions, think tanks, consumers associations, laboratories, business services providers) • Business and sectoral associations, chambers of commerce • Banks and financial institutions • SMEs • Conformity assessment bodies: testing/validation/calibration laboratories
Connectivity	
<i>Sources of information</i>	<i>Evidence</i>
Environment & CC	
EU4Environment ⁶	EU4Environment integrates a single strategic framework initiatives to achieve greener decision making, sustainable economy and green growth – smart environmental regulation, ecosystem protection and knowledge sharing.
EU4Climate ⁷	EU4Climate supports Eastern partner countries to implement their climate policies by contributing to low emission and climate resilient development and helping them to meet their commitments under the Paris Agreement.
Energy	Limited information available from documents scrutinised (e.g. no access to feasibility studies, ESIA's and economic analysis) although issues discussed with stakeholders and project management during the field phase.
ENI/2019/412-869 ENI/2019/412-866	& Activities of the Steering Committee include ensuring interlinkage with GESR and ensure overall policy alignment and Action's progress towards set objectives.

⁶ <https://www.eu4environment.org/where-we-work/georgia/#:~:text=EU4Environment%20is%20helping%20Georgia%20facilitate,practices%20in%20SMEs%2C%20provide%20advisory>

⁷ <https://eu4climate.eu/georgia/>

Programme for Energy Efficiency in Public Buildings in Georgia – EBRD & KfW Part ENI/2019/404204 GESR	
Transport	Limited information available from documents scrutinised (e.g. no access to feasibility studies, ESAs and economic analysis) although issues discussed with stakeholders and project management during the field phase.
Mobility	
<i>Sources of information</i>	<i>Evidence</i>
Erasmus+ Programme Guide	Erasmus+ was designed in a way to strengthen mobilities and academic collaboration both in relations between individual countries (i.e. Georgia) and the EU as well as in the respective regions (i.e. Central Asia).

JC1.3 Mutually reinforcing bilateral and regional geographic forms of cooperation support

Bilateral and regional geographic and other forms of cooperation support (thematic budget lines, non-spending actions such as policy and political dialogue incl. human rights, trade, visa liberalisation, and security, and spending and non-spending actions by non-RELEX DGs such as HOME and TRADE) have been mutually reinforcing.

I-1.3.1 Degree to which EU country- and EU regional-level and cross-border cooperation support complemented and reinforced each other.

Throughout the evaluation period, bilateral support was complemented by investments under the Neighbourhood Facility (NIF), as well as thematic and regional cooperation, the latter mainly in areas pertaining to Connectivity, such as environment, energy, and transport. These priorities correspond to the actions planned within the Policy Framework for Regional Cooperation in the Eastern Neighbourhood. In general, more information on both regional and cross-border cooperation is needed. ‘Hard’ cross-border cooperation (e.g., regional development or environmental management with a cross-border component) needs to be distinguished from ‘soft’ cross-border communication, often people-to-people and cultural in nature. community-to community. There were a number of CBC projects of the latter variety implemented in Georgia.

Evidence	
Overall assessment of quality and credibility of evidence	Based on limited material, the evidence related to this indicator is assessed as Weak .
<i>Sources of information</i>	<i>Evidence</i>
SSF 2014-2020, SSF 2017-2020	This bilateral support was complemented by investments under the Neighbourhood Facility (NIF), as well as thematic and regional cooperation, the latter mainly extending to areas of a cross-boundary nature, such as environment, energy, transport, and border management. These priorities correspond to the actions planned within the Policy Framework for Regional Cooperation in the Eastern Neighbourhood.

Olga Dorokhina, European Experience for Development of Cross- Border Cooperation in Georgia, Caucasus International University, December 2019	<p>In July 2014, the European Union and Georgia signed an Association Agreement. Articles No. 373 and 374 of this agreement declare cross-border cooperation to be one of the most important tools of regional policy and the development of regions. Cross-border cooperation is also designated a component of the overall strategy of regional development at the local level, but only in two regions (Kvemo Kartli and Samtskhe-Javakheti).</p> <p>[...]</p> <p>In general, we can state that Georgia does not have a systematic approach to the development of cross-border cooperation, as there is no document articulating vision, goals and objectives, principles of coordination and distribution of powers. Although the process of forming a legislative framework for the implementation of cross-border cooperation has begun, and local authorities have been given the opportunity to participate in cross-border activities, there is no comprehensive understanding of this instrument on the local level.</p> <p>In general, the contribution of international programmes to the development of a European culture of cross-border cooperation can be assessed positively. The awareness of local border communities of the benefits of cross-border cooperation has obviously increased. However, this process still will need external support (methodological and financial) in the future. A significant responsibility in promoting cross-border cooperation in Georgia also lies with European organisations and national and local institutions of civil society.</p>
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I-1.3.2 Degree of complementarity achieved between bilateral support and thematic budget lines (incl. EIDHR, CSO/LA, IcSP).

The IfS / IcSP thematic instrument effectively interacted with bilateral instruments by providing rapid and tightly focused support to vulnerable populations (essentially displaced persons) which could then be taken over by longer-term bilateral support. EIDHR was active in Georgia throughout the evaluation period, apart from one year (2016) when a funding reduction led to a temporary suspension of calls for proposals. The link between bilateral and thematic instruments was strengthened by the fact that the EUD has functioned as a regional hub for thematic contracts, for example under Global Public Goods and Challenges, as well as for EaP flagship initiatives. A fairly recent country case study in the thematic evaluation of the CSO/LA thematic budget line characterised the results of applying the instrument in Georgia to be slow and incremental in developing, but found that EU cooperation with the National Association of Local Authorities in Georgia was proving fruitful (see I-1.2.3).

Evidence	
Overall assessment of quality and credibility of evidence	This indicator has been approached at aggregate, rather than sector-by-sector basis. Therefore, the evidence is assessed as Medium .
<i>Sources of information</i>	<i>Evidence</i>
SS\$ 2014-2017	The Instrument for Stability (IfS) has provided support to Georgia since 2008. This support has proven to be effective and appreciated by the conflict affected populations. Since 2008 the focus of the IfS interventions has progressively moved from post-conflict relief (focus on provision of shelter to Internally Displaced Persons and returnees) to more long-term, sustainable measures like strengthening of media, confidence building through civil society initiatives, capacity building to the State Ministry for Reconciliation and Civil Equality and empowerment of women as vectors of change.

EAMR 2014	<p>Within the Delegation portfolio around 10 % are at present thematic contracts. This comprises notably the large thematic portfolio of migration related contracts as well as human rights contracts. This high ratio is to a large extent due to the high degree of state structures in support of implementing migration policies as well as due to the high degree of related needs. Thus the thematic support is in essence complementary to the main national instruments, that are not conceived towards that strong of targeted support towards these thematic instruments. Also with regards to regional programs, the Delegation sees a reflection of its important position among EaP countries in the Southern Caucasus when it comes to coordinate, monitor and support regional instruments, including INNOGATE and TRACECA. The number of contracts in which the Delegation is currently involved is close to 40 representing approximately 20% of the current bilateral portfolio. Given that the themes of the latter ones are not part of the national, i.e. bilateral cooperation there is certainly enough grounds to state positively on the complementarity in this regards. Also, in the field of SME support the absence of national policies, including strategies or action plans definitively proves complementarity of the ongoing regional SME flagship initiative. For the future the regional SME development support project will likely still remain complementary to national actias the policy situation is likely going to persist for the foreseeable future. Projects that are becoming increasingly relevant are those financed through the NIF. The infrastructure investment linked to those operations and the way they are implemented require increasing attention from the side of the Delegation both during the design and the implementation stages to ensure the adequate fit within the Delegation programmes and Commission procedures.</p>
EAMR 2016	<p>Within the Delegation portfolio, around 15 % are at present thematic contracts. This comprises notably the large thematic portfolio of migration related contracts as well as human rights contracts. The relatively high ratio is to a large extent due to the extensive needs of state structures in support of implementing migration policies, related to the upcoming visa liberalisation. Thus the thematic support is in essence complementary to the main instruments. Also with regards to regional programs, the Delegation sees a reflection of its important position among EaP countries in the Southern Caucasus when it comes to coordinate, monitor and support regional instruments, so called Eastern Partnership Flagship Initiatives, for example in the case of EU4ENERGY, Integrated Border Management, Environmental Governance, Sustainable Municipal Development, Prevention Preparedness and Response to the Natural and Man Made Disasters as well as the Support to the SME's.</p> <p><u>Global Public Goods and Challenges</u></p> <p>The Delegation is in practice a regional hub for thematic contracts as well as for EaP flagship initiatives. Given the situation in Ukraine, this has been reinforced resulting in a number of projects and events being rolled out or held in Georgia. Also, given the relatively well supported national policies notably in the fields of migration and human rights, a number of thematic projects in these fields have been de-concentrated to the Delegation for management. Most of these thematic instruments complement well the bilateral cooperation providing a more comprehensive response to well identified needs, thus also completing the EU response.</p> <p><u>Civil Society Organisations and Local Authorities</u></p> <p>With regard to the work with Civil Society Organisations and Local Authorities, the Delegation continued to involve CSOs/NGOs, notably on the basis of the "EU-Georgia Roadmap for the Engagement of Civil Society 2014 - 2017" (adopted by the EU HoMs on 21 July 2014) on all relevant levels. The Roadmap was amended at the beginning of 2016 as a result of broad consultations with civil society and other stakeholders. Civil society elements have also been systematically included in a number of programmes such as on criminal justice (e.g. in the criminal justice coordination council, rehabilitation and re-socialisation of prisoners and probationers), Employment and Vocational Education Training (the national EVET council), migration and border management, Human rights (Human Rights for All). This approach was further sustained by the contracted 6 MEUR civil society programme that will promote notably advocacy, sustainability and capacities of CSOs across the board. Overall, beyond this instrument, recent calls for proposals have shown the limits to the absorption capacity of EU funding to NGOs. An experimental call for operating grants has yielded mixed results, with an experimented awardee declining to sign an operating grant contract for various reasons associated to the conditions attached to it. Another Call for Proposals (CfP) on trade-related projects was less successful for the key lot on business associations partly due to limited EU project understanding in that segment of civil society.</p> <p><u>Human Rights/EIDHR</u></p> <p>The EIDHR has been used in Georgia by the Delegation from 2003 resulting in 160 projects were implemented with a total amount of € 13 856 126. In 2016, 12 EIDHR projects were on-going. No calls for proposals were announced in 2016. As the country allocation under EIDHR CBSS for Georgia has been decreased from EUR 1 million per year during previous years to 800 000 p/y, for 2014-17 it was decided to pool funds of two years and launch a</p>

	<p>call for proposals in 2017. During 2016 an evaluation of EIDHR CBSS projects funded was performed by external auditors. Recommendations of the evaluators will be used to improve implementation modalities and update priorities of the upcoming new calls for proposals. The Human Rights for All under the '2014 Special Measures for Georgia and Moldova' programme (10 m EUR) complements the Georgia-EU policy dialogue on Human Rights. The overall objective is to strengthen human rights protection in areas prioritised by EU-Georgia agreements, including the rights of minorities and vulnerable groups, internal and external oversight of law enforcement, protection of privacy, labour rights, freedom of expression and information. The Action aims at strengthening the capacities of state institutions like the NHRSAP Inter-Agency Council, the Personal Data Protection Inspector, the Anti-Discrimination Mechanism (embedded in the Ombudsman), government institutions on labour and child care, the Ombudsman and the Parliamentary Committees of Human Rights and Legal Issues. Civil society organisations (CSOs) and media organisations benefit from the Programme (9 grants have been awarded under a call for proposals). Synergies with the EU Justice Sector Policy Support Programme, which is part of the 2014 Annual Action Programme in favour of Georgia, are ensured, as both interventions strongly complement and reinforce each other. Further support to the Public Defender's Office is on-going under the CIB programme with the aim to strengthen the protection and promotion of human rights in Georgia. The action includes activities related to institutional strengthening (including the National Preventive Mechanism), regional accessibility and awareness-raising.</p>
EAMR 2019	<p>The main objectives of support to local authorities are coherent with key sectoral policies (PAR, Economic Development and Market Opportunities, Economic Governance), but include a territorial dimension and reference. The implementation of the actions may in the future become a “role model” for testing how specific aspects of decentralisation and devolution of powers work in practice in the areas such as: local decision making, project selection, accountability for design policy implementation, fostering local economic development.</p> <p>The Civil Society Road Map covers seven priorities for engagement between the EU and its Member States, on one side, and civil society in Georgia, on the other side. These priorities aim to support development of the civil society capacity to fulfil effectively all its functions, to ensure its sustainability and mainstream effectively its activities in all sectors:</p> <ul style="list-style-type: none"> • Priority 1 – Provide wide-ranging capacity building for CSOs to perform multiple roles, in particular to engage in policy dialogues, act as watchdogs and as social entrepreneurs. • Priority 2 – Increase CSOs engagement in a more balanced and sustainable territorial development, including agriculture, rural development and food safety. • Priority 3 – Enhance CSOs involvement in the promotion of the DCFTA's practical benefits at all levels of society. • Priority 4 – Support CSOs in promoting energy efficiency, as well as road safety and air quality measures, and monitoring their implementation. • Priority 5 – Increase CSOs participation in the reform of the public administration and security sectors. • Priority 6 – Support CSOs promoting and defending human rights. • Priority 7 – Increase CSOs engagement in skills development for employment and matching for labour market needs (EVET) as well as youth and culture. <p>In relation to these directions, and in particular by contributing to priorities 1, 5 and 6, the EIDHR programme is expected to contribute to inclusive socio-economic growth, address human rights challenges associated to the post-conflict situation and contribute to peaceful conduct of fair and democratic elections, including by supporting electoral reform complying with international standards, most importantly ODIHR's recommendations.</p>

I-1.3.3 Degree of complementarity achieved between bilateral support and other forms of cooperation including those contributing to enhanced mobility between Georgia and the EU for professional development, study, and tourism.

An obvious one is complementarity between the Mobility Partnership and SME development in the area of tourism; another is between skills development and possibilities for circular migration under the Mobility Partnership (probably weak in view of the poor performance of the Mobility Partnership in this specific area discussed under EQ 9).

<i>Evidence</i>	
Overall assessment of quality and credibility of evidence	Until the Mobility Partnership has been looked at more broadly, evidence for this indicator is Weak .

Sources of information	Evidence
EEAS Georgia website ⁸⁹	<p>A first meeting of the EU-Georgia Mobility Partnership Local Cooperation Platform took place on 9 June 2017 in Tbilisi, bringing together representatives of EU Institutions and EU Member States, Georgian authorities, IOM and ICMPD. The event was organized at the initiative of the Government of Georgia and the European Commission and is a part of the mechanism for monitoring the implementation of the Joint Declaration on a Mobility Partnership between the European Union and Georgia of 2009.</p> <p>The objectives of the meeting were to discuss the mechanisms for dialogue and for monitoring the projects under the Mobility Partnership. This part of the meeting was restricted to the representatives of EU Institutions, Georgian authorities and EU Member States signatory to the Mobility Partnership. The meeting also gave the opportunity to discuss the projects implemented under the Mobility Partnership, including a more detailed presentation of some of the ongoing projects, in particular in the following priority areas: legal migration and mobility; fighting irregular migration and reintegration and asylum. This part of the meeting was open to other stakeholders, implementing partners in the projects under the Mobility Partnership.</p>
EAMR 2019	<p>Programming is at 8.15% for this focal sector, slightly below the target allocation of 10%, with a flagship focus on skills development and Erasmus+. The AAP2020 identified in 2019 is to include a migration management component as part of the Support to the Association Agenda for continued support to addresses challenges to the visa free regime. [...]</p> <p>Several new projects have been concluded in support to migration management and to implementation of commitments related to visa-free travel, accompanying intense policy dialogue.</p>

I-1.3.4 Evidence that the cooperation programme and high-level dialogue (i.e., political, and strategic, not technical or operational) have been mutually reinforcing.

The EU-Georgia cooperation programme has been deeply shaped by high-level dialogue, at Association Council, Committee, and sub-Committee level and national levels. There have been multiple senior-level visits to and from the country. At sectoral level, budget support has been the principal venue for high-level policy dialogue, in addition (and not the subject of this Indicator) to technical and operational dialogue largely aimed at ensuring that conditions are met and programmes operate smoothly. The Human Rights Dialogue has informed cooperation in that area. The Delegation was actively involved in policy dialogue under the Eastern Partnership platforms on anti-corruption and public administration reform, reinforcing a regional dimension. In PAR, the PAR Council provided the policy dialogue venue, with civil society representation. Policy dialogue in the area of agriculture and rural development was ensured through regular meetings of the Delegation with the Ministry of Environmental Protection and Agriculture (MEPA) and the Inter-agency Coordination Council on Rural Development (IACC). Policy dialogue related to the DCFTA and SMEs takes place in multiple national and regional venues, as did dialogue related to the various components of Connectivity (energy, environment and climate change., etc. In recent years policy dialogues prominently addressed pension and insurance reforms and support programmes for SME. Policy dialogue meetings have often and regularly taken place within the context of EU funded interventions and thus the former and the latter mutually reinforced each other. While interlocutors generally acknowledged the positive and constructive role of EU-facilitated policy dialogues for developing policy and institutional frameworks in which all the other donor activities take place, some noted that the EU still followed a rather compartmentalised approach and that the EU should provide more opportunities for a wider policy dialogue to bring the different sectors together. Policy dialogue on RoL, in the context of budget support but also at higher political level, is reported to be intense. So, too, has been dialogue on mobility, particularly visa liberalisation.

At the same time, and apart from press releases on dialogue at the highest levels, there is a dearth of information on the quality and sometimes even the content of policy dialogue. Meeting reports, if meetings are minuted, are not available. The result is that much policy and political dialogue remains obscure, perhaps an advantage from the standpoint of promoting a frank exchange of views, but making it difficult to judge quality, progress, or impact. In some sectors, there may be a tendency for intense and productive high-level policy and political dialogue to occur as programmes are being negotiated, after which dialogue descends to the technical and

⁸ https://eeas.europa.eu/delegations/georgia/27895/node/27895_nb

⁹ https://commission.ge/index.php?article_id=288&clang=1

operational level. RoL, HR, and Democracy, where controversies continue to arise during budget support operations, may be an exception. These points are, however, at this point speculative.

Evidence	
Overall assessment of quality and credibility of evidence	The evidence for a great deal of high-level policy and political dialogue, while that on the quality of such dialogue is, because documents reviewed rarely discuss, credibly, the quality of such dialogue. That the cooperation programme provides abundant information, and a solid platform, for high-level policy and political dialogue is not to be questioned. That such dialogue has concrete impacts on the development of cooperation is less so. Overall, the quality of evidence for this JC is assessed as Medium .
General	
<i>Sources of information</i>	<i>Evidence</i>
EAMR 2016	Policy dialogue was carried out mainly in the sectors where the EU is providing or preparing budgetary support, which in 2016 included: DCFTA, economic development, circular economy, agriculture, employment, vocational education and training (EVET), public finance management (PFM), regional development, support to IDP's, public administration reform (PAR), and justice. Additionally, policy dialogue took place regarding human rights and in the sectors of big investments blended in via NIF grants, namely environment, energy, waste and transport.
EAMR 2017	Policy dialogue is taking place on various platforms and levels and includes regular EU-Georgia meetings in the context of Association Committees and Sub-Committee meetings as well as senior level visits to and from the country, in addition to steering committees established for the ENI programmes and donor platforms. Policy dialogue was carried out in the sectors where the EU is providing or preparing Budget Support, which in 2017 included: DCFTA/Trade and business development, skills development and labour market/employment, agriculture and rural development ("ENPARD"), integration of internally displaced people (IDPs), the Justice Sector, Public Administration Reform, Public Finance Policy Reform and Regional Policy Development. Additionally, policy dialogue took place regarding human rights, border management and in the sectors of large investments when IFI loans are blended in via ENI grants under the NIF, namely environment, energy efficiency and renewables, water and sanitation as well as waste and transport. In the majority of policy areas, the main objectives set and expected results were achieved. Consequently, 82% of the funds foreseen for budgetary support in 2017 (€43.95 million) were transferred to Georgia in acknowledgement of reform progress in 2017. This result shows the dedication and progress in reforms, constantly accompanied by policy dialogue, via Steering Committees and day to day contacts with Beneficiaries.
EAMR 2019	Overall implementation challenges include in particular reform bottlenecks linked to political sensitivity or to planning capabilities, requiring more intense policy dialogue at all levels.
PAR	
<i>Sources of information</i>	<i>Evidence</i>
Budget support eligibility assessment – disbursement of 2018 fixed and variable tranches – Support to the Public Administration reform in Georgia ("PAR") ENPI/2015/037-832, Tbilisi, 2018 (Note to Director DG-NEAR C)_	<p>Policy dialogue in relation to PAR occurs within the overall policy framework of the Association Agreement where the EU main public policy for this sector is the <i>Public Administration Reform Roadmap 2015-2020</i> adopted by the Government in August 2015. The PAR Roadmap sets the umbrella framework of the reform and establishes the coordination and monitoring mechanism. It covers 6 areas: policy development and coordination, civil service, accountability, public finance management, public service delivery and local self-government. The Roadmap is based on the 2014 Principles of Public Administration elaborated by SIGMA for a transparent, predictable, accountable and effective public administration.</p> <p>Regular dialogue and coordination meetings occur with the AOG (especially the AoG Policy Planning Unit , which acts as PAR Secretariat, and this ensured coordination and monitoring of activities), as well as all the line ministries and agencies involved in programme implementation.</p> <p>Civil Society Organisations and international partners (including the EU) have maintained intense dialogue and consultations with national authorities throughout the year to pass messages on progress on the reforms. : Examples of such meetings to maintain dialogue include between international partners and the Head of Administration of Government, April 2017; meeting between Head of Delegation (EUD) and the Prime Minister on 17/11/2017; meetings with newly appointed ministers, November 2017-April 2018; and meetings concerning the EU Association implementation report, 2017.</p>

	However, increased attention and support to key measures is needed at high level to ensure proper and timely implementation of the reforms.
EAMR 2014	Under the SSF 2014 - 2017, the following 3 focal sectors have been agreed with the Government of Georgia: (i) Justice, (ii) Public Administration Reform and (iii) Regional Development and Agriculture. This was endorsed through a respective Memorandum of Understanding. In all these sectors, there was sustained policy dialogue with the government and other stakeholders, allowing for new or subsequent sector reform initiatives. Additionally, the Delegation was actively involved in the Eastern Partnership platforms on anti-corruption and public administration reform, seeking to reinforce a regional dimension and the related policy dialogue. Notably, in the field of public administration reform, this will allow the Delegation to set up a major public administration reform programme as part of the AAP 2015, with the challenges that these cross-cutting programmes imply at the level of policy development, coordination and governance. Policy dialogue on PAR-related issues is not only in place but increasingly active, with the development of consultations between the EU Delegation and Georgian interlocutors as well as international expert stakeholders (such as OECD/SIGMA and the Council of Europe), Participation in the EaP platform on Public Administration Reform as well as in the national platforms/councils working on PAR strategies was useful too. The dialogue has intensified in 2014, with the preparation of the upcoming Public Administration reform bilateral programme (for AAP2015) and the arrival to the Delegation, in August, of a new programme manager dedicated to this sector. The immediate aim of this dialogue is to foster in 2015 the finalisation of the key national strategies in the area and the adoption of the bilateral programme.
EAMR 2017	<p>The policy dialogue is ensured through frequent meetings between with relevant Georgian counterparts. The status of reforms was addressed on several occasions between the Delegation and the Government at highest level. PAR is also on the agenda of the EU-Georgia Association Committee and several sub-committees. Dialogue is ensured on regular basis through the national PAR Council and other related councils, where national authorities, the EU Delegation, international partners and civil society organisations are represented. Technical matters related to EU support are addressed through various thematic working groups and regular exchanges between the EU Delegation and national interlocutors. This active dialogue contributed to better informing on the progress of reforms and analysis of the implementation of national policies in relation to commitments under the Association Agreement, Visa Liberalisation Action Plan and the EU-funded programme in support to the PA reforms. It also contributed to ensuring timely fulfilment of several of these commitments.</p> <p>[...]</p> <p>The Delegation would welcome continued support from HQ to contribute mitigating risks by continuing to increase its share of the policy dialogue so as to (a) systematically mirror in association bodies and in other dialogue opportunities the reform demands agreed in the financing agreements, (b) ensure that in blending operations the IFIs/EFIs effectively incorporate policy/reform conditionality as well as enhance visibility commitments.</p>
PFM	
<i>Sources of information</i>	<i>Evidence</i>
Georgia Action Fiche for Support to PFPR, EC Implementing Decision on the AAP, Source 1	Policy dialogue at highest levels of government and at sector level through budget support.
Action Document, EU4 Economic Governance and Fiscal Accountability, AAP, 2018	The Parliament is in the process of gradually revising internal regulations and procedures to better reflect the enhanced mandate granted by the 2017 constitutional amendments. The authorities also recognise the need for improved financial oversight and follow-up of SAO recommendations. In this context, the EU Delegation has actively been supporting through policy dialogue and other exchanges reinforcement of the quality of reviews and follow-up of external audits and the participation of civil society in economic governance discussions. Policy coordination and public participation also operate via the PFM Council which is open to Parliament Committee's members as well as to representatives of Civil Society Organisations (CSOs) and of the international community.
EAMR 2019	The EU-Georgia policy dialogue and cooperation in this specific field is strong, and ongoing and new joint actions support national progress in PFM. In this framework, the Ministry of Finance has developed a new PFM strategy 2019-2022 that captures most of the weaknesses identified by PEFA

	<p>assessments, IMF's Fiscal Transparency Evaluation (FTE) report, Open Budget Index, Tax Administration Diagnostic Assessment Tool (TADAT) and requirements of EU Budget Directives.</p> <p>[...]</p> <p>Furthermore, policy dialogue between the EU and Georgian stakeholders is ongoing and, in this framework, a new budget support programme ("EU4 Economic Governance") was launched in summer 2019.</p>
Agriculture & rural development	
<i>Sources of information</i>	<i>Evidence</i>
ENPARD programme (I,II,III,IV)	The use of the budget support modality provided opportunities for dialogue between the EU and the GoG at the highest levels of government and also at sector level. A general source of added value of the ENPARD programme was its ability to leverage policy dialogue via its budget support approach, both at top GoG level and also at top sector level. Budget support also made possible EU engagement with the MoF on macroeconomic issues, PFM and budget transparency as well as strategic implementation.
ENPARD I Final Evaluation of, 2021	Since one of the purposes of budget support is to encourage policy dialogue with the partner country and act as a means of leveraging change, it is instructive to note that dialogue with the GoG in reaching agreement on assistance through the ENPARD programme, stimulated change within the sector and came principally, at policy level, through EU support to the GoG in the preparation and implementation of an Agricultural Strategy followed by a Rural Development Strategy. The Minutes of the Steering Committee of the Ministry of Agriculture (MoA), together with discussions with the First Deputy Minister of Agriculture, with responsibility for overseeing policy, and the heads of the relevant ministry departments, make it clear that the MoA was committed to realising its objectives with regards to implementation of the Strategy. The 2015 and 2016 Annual Reports of the MoA also demonstrate the increasing fiscal commitment from the Government toward the sector. Since one of the purposes of budget support is to encourage policy dialogue with the partner country and act as a means of leveraging change, this will be considered in relation to TA to the MoA and the ACDAACDA.
ENPARD II, See ENPARD, Final Evaluation, 2021	A general source of added value of ENPARD II was its ability to leverage policy dialogue via its budget support approach. This allowed the EU to lead the policy agenda by being able to condition budget support in respect of encouraging the GoG to adopt a rural development strategy as well as implement the LEADER approach to rural development. A key policy success has been deemed to be the GoG drafting of a RDS 2017-2020 and "it is unlikely that this would have happened without appropriate dialogue through ENPARD II and with support of UNDP. Policy dialogue has not, however, increased GoG spending on rural development.
ENPARD III Final Evaluation, 2021, (especially Annex 4, p.136)	Politically, the AA and DCFTA remained in place requiring dialogue on enhanced competitiveness of agriculture (especially in the area of food safety and standards), the second pillar of ENPARD III, as a priority. There was good engagement in the policy dialogue process, as with ENPARD II with a high level of participation and collaboration in the Steering and Stakeholder meetings. These meetings were not as efficient as they could have been given a reduced focus on numbered elements of the Action Plan. The vague allocation of roles to donors in IACC meetings, using the Action Plan, 18 reduced donor coordination. Policy facilitation work was achieved by FAO and UNDP linked to the agricultural and rural development strategies. UNDP facilitated the policy dialogue to develop the RDSG based on the three pillars: social services, forestry / environment, economic diversification. The policy dialogue process has been similar to that of ENPARD II. A high level of participation and collaboration in the Steering, Stakeholder and IACC meetings have helped to involve all parties. A more explicit allocation of roles to donors using the Action Plan would help donor coordination; donor coordination appears to be largely centred in the IACC.
EAMR 2014	<p>During 2014, the modernisation of the agriculture sector remained as one of the top socio-economic strategies of Georgia and the Delegation continued playing a catalytic role in this process, through intense policy dialogue and substantial technical and financial assistance.. As a result of the Delegation's policy dialogue efforts, a platform on agricultural cooperatives between the government's relevant agencies and the civil society organizations was established. The law on agricultural cooperatives was also reviewed in consultation with the Delegation.</p> <p>[...]</p> <p>Rural Development became an important topic in the policy dialogue between the EU Delegation and the Government of Georgia during 2014. As a result of this process, the government agreed on incorporating rural development measures within the agriculture strategy and on undertaking pilot rural development projects in the context of the ENPARD top-up programme. At the regional level, the policy dialogue between the Delegation and the Autonomous Region of Ajara brought up the decision of producing the first-ever rural development strategy for a Georgian region.</p>

EAMR 2017	Agriculture and Rural Development (ENPARD): Policy dialogue in the area of agriculture and rural development was ensured through regular meetings of the Delegation with the Ministry of Environmental Protection and Agriculture (MEPA) and the Inter-agency Coordination Council on Rural Development (IACC). Besides, the ENPARD Steering and Stakeholders Committee meetings included policy dialogue with the Government, donors and implementing partners as part of the support the programme provided to the sector reform processes negotiated with the EU via budget support conditionality.
Justice, Rule of Law, democratic governance, and human rights	
<i>Sources of information</i>	<i>Evidence</i>
EAMR 2014	<p>In the field of Human Rights, the policy dialogue is progressing on the basis of the following: - The EU-Georgia Association Agreement/DCFTA signed in June and its related Agenda is aimed at advancing governance and human rights. In 2014, the Parliament unanimously adopted a National Human Rights Strategy (NHRS), largely based on recommendations from the EU Special Advisor on Constitutional and Legal Reform and Human Rights - Thomas Hammarberg. His recommendations are contained in the report 'Georgia in Transition' as well as in a document of recommendations to the government in July 2014, at the end of his mandate. The EU actively provided advice throughout the approval process of the sensitive Anti-Discrimination law in 2014. - Reforms were boosted with EU aid, including budget support, grant to the Public Defender (Ombudsman, that pursued its independent watchdog function), EIDHR projects, and joint actions with international organisations like the CoE, UNDP or UNICEF. Apart from justice budget support and its complementary assistance, one remarkable project was the 3 million EUR Human Rights in prisons, contributing i.e. to the dramatic drop in prison mortality rate (27 deaths in 2014, in contrast to 132 in 2011.) In June, a new 1.2 million EUR EU-funded project started in support to the Constitutional Court. As 2014 Special Measures to support GE and Moldova (after events in Ukraine), a 10 million EUR project - Human Rights for All - was approved to support the implementation of the National HR Action Plan, particularly in areas of minorities and anti-discrimination, privacy rights, labour rights, law enforcement oversight and vulnerable groups. This is a top up to the planned 50 million EUR budget support in the area of justice. - The seventh EU-Georgia Human Rights Dialogue was held in Tbilisi in June 2014. The talks focused on four key areas: justice reform and law enforcement; elections; minority rights and anti-discrimination; HR situation in Abkhazia and South Ossetia including rights of IDPs.</p> <p>[...]</p> <p>The justice sector reform is a dynamic process characterised by intensive policy dialogue on thematic issues. The Delegation closely follows these reforms both at technical and policy level, not only by being an observer, but also by being actively engaged in the reform process through various initiatives that the EU programmes support and promote. Apart of usual general conditions, both the independent review mission and the EU Delegation established compliance with specific conditions in the area of Criminal Legislation, Juvenile Justice, Penitentiary and Probation Reform and Access to Justice. Also pertaining to the justice sector, the implementation of the EaPIC 2012 top-up of Criminal justice SPSP is on track with TA projects and grant contacts with CSOs. In parallel with implementing the final year of the above SPSP, EUD advanced the process of negotiations with national authorities on the future Justice Sector Programme for 50 million EUR to be financed under AAP 2014. The programme commits the government to a number of policy reforms that are based on and stem from recommendations of the EU Special Advisor on Legal and Constitutional Reforms and Human Rights, Thomas Hammarberg.</p> <p>[...]</p> <p>Beyond these focal sectors, policy dialogue is active in the fields of human rights, public finance policy, VET and employment, internally displaced persons as well as in policy fields pertaining to the visa liberalization and readmission where ongoing or upcoming programmes call for intensive reform efforts sustained through policy dialogue. As regards the Employment and Vocational Education and Training (EVET) budget support programme, this has reached implementation phase with no deviations or delays observed. The 1st tranche payment was successfully completed in 2 Quarter 2014 while its request for payment the of 2nd tranche is expected in February 2015 and payment is provisionally planned for 2nd Quarter 2015.</p>
EAMR 2017	<p>Continuous policy dialogue supported the implementation of a number of projects in the justice and human rights sectors [...]</p> <p>Human Rights: The tenth EU-Georgia human rights dialogue was held in Tbilisi in May 2017. The EU commended Georgia for the continued progress in human Rights and for the overall positive ODIHR /EOM's report on the October 2016 general elections. Georgia confirmed its commitment to pursue its policy aimed at safeguarding human rights in Georgia and its engagement in international fora to promote human rights policies. The EU and Georgia shared concerns over the human rights situation in the breakaway regions of South Ossetia and Abkhazia. In line with its policy of consulting civil society ahead of its meetings on human rights, the EU met with representatives of Georgian and international NGOs prior to the dialogue as well as with representatives of international and regional organisations present in Georgia.</p>

Economic development and market opportunities (DCFTA, SMEs, VET)	
<i>Sources of information</i>	<i>Evidence</i>
<p>EU Delegation to Georgia (2020) note to the attention of Mr Lawrence Meredith director NEAR C</p> <p>Subject: Budget Support Eligibility Assessment – disbursement of the 2020 variable tranche – Economic and Business Development in Georgia (ENI/2017/040-318)</p>	<p>Policy dialogue is ensured through regular meetings of the EU Delegation with relevant stakeholders (notably the Ministry of Economy and Sustainable Development, Government agencies, Business associations, private businesses, and international community). Due to the substantial amount of EU technical and financial assistance available to Private Sector Development, such meetings also take often place in the context of EU funded initiatives. The regular consultations throughout 2019 included also meetings with the participation of HQ staff, including Director of Neighbourhood East and Institution Building and Team Leader for Georgia at DG NEAR C1.</p> <p>An important topic of the policy dialogue was related to pension and insurance reforms. Several meetings took place with support of the Financial Inclusion and Accountability Project that is implemented by the World Bank in partnership with the EU. In the framework of the EU-GIZ project, which supported preparation of the pieces of legislation on insolvency and enforcement, the policy dialogue took place at the project steering committees as well as at bilateral meetings with the Ministry of Justice.</p> <p>Further, the policy dialogue discussed support programmes to SME, and discussions focused on the development of a national cluster programme. Further work was carried out to follow up the discussion started in 2019 on improvements to monitoring of Georgia's SME Development Strategy and its programmes. In-depth consultations were also held on how to improve access to finance for small and medium enterprises in Georgia. The MoESD continued to be interested in EU experience with SME guarantee schemes given the launch of a Georgian national scheme in 2019.</p> <p>Policy dialogue is also taking place between the EU and Georgia in the context of the Association Council, informal DCFTA Ministerial meetings and through the Committee in Trade Configuration and its 4 Sub-Committees. These meetings are occasions to discuss in detail the implementation of the different chapters of the Deep and Comprehensive Free Trade Area (DCFTA) and notably the legislative approximation to be undertaken by Georgia.</p>
<p>EAMR 2020 (identical wording in EAMR 2019)</p>	<p>For the flagship programmes on economic and business development and on skills for jobs, the remaining complementary measures to budget support are all contracted by now, including on sensitive matters such as financial supervision, public procurement, or geographical indications, as well as grants to civil society. Policy dialogue has intensified to address the legislative bottlenecks identified under the Economic and the Business Development Programme.</p>
<p>EAMR 2018</p>	<p>Policy dialogue was carried out in the sectors where the EU is providing or preparing Budget Support, which in 2018 included: DCFTA/Trade, economic and business development, skills development and labour market/employment, agriculture and rural development ("ENPARD"), the Justice Sector, Public Administration Reform as well as economic governance and fiscal accountability.</p> <p>An intensive policy dialogue on Economic Development and Market opportunities accompanied the negotiations of the Financing Agreement for the Economic and Business Development in Georgia under Annual Action Programme 2017. The programme focuses on (1) fairer and faster litigations in commercial matters, (2) a modernised financial infrastructure as well as (3) greater business sophistication and integration.</p> <p>Policy dialogue and negotiations on performance indicators for the programme also contributed to the development of a national holistic view on VET in a lifelong learning context, helped the government to target vulnerable youth and adults, reorient education and training provision towards the needs of learners and employers thus contributing to better investment environment and economic growth.</p> <p>There is constant dialogue and debate on EU policies, as well on the interplay between these and EU assistance. Dialogue takes place at all levels and with all possible stakeholders, in both formal and informal fora, structured primarily along the fora established by the Association Agreement, the DCFTA, the Energy Community Treaty.</p>
<p>EAMR 2017</p>	<p>Given the breadth and depth of the EU relationship with Georgia, there is constant dialogue and debate on EU policies, as well on the interplay between these and EU assistance. This is structured by the Association Agreement and the DCFTA, the Association Agenda and other key documents such as the EaP Summit declarations or the mobility-related policy documents. Dialogue takes place at all levels and with all possible stakeholders, in both formal and informal for a [...] Support to EU-Georgia Deep and Comprehensive Free Trade Area (DCFTA) and Small and Medium sized Enterprises (SMEs): The policy dialogue is ensured through regular meetings of the Delegation with relevant stakeholders (Ministry of Economy and Sustainable Development, Government agencies, Business associations, private businesses, international community). Two new channels for policy dialogue were introduced: DCFTA Advisory Group and the Private Sector Development Advisory Council. Policy dialogue is also taking place between the EU and Georgia in the context of its Sub-Committee meetings and in the context of the Association Committees. In 2017, Georgia has made good progress in the areas of trade and private sector development, in line with the agreed roadmap. This included the timely adoption of a number of national legislative acts aimed at enabling a favourable business environment, including on food safety, technical barriers to trade and market surveillance. Enterprise</p>

	Georgia provided advisory services and trainings to over 220 SMEs and, in cooperation with the Georgian Chamber of Commerce, disseminated information on the benefits of DCFTA to the private sector at regional level. An active policy dialogue accompanied the preparation of the new programme on Economic and Business Development in Georgia under Annual Action programme 2017 which will focus on fairer and faster litigations in commercial matters, a modernised financial infrastructure as well as greater business sophistication and integration. 2. Skills development and labour market/employment policy: The Delegation is actively involved in the policy dialogue with the Georgian counterparts in the fields of skills development and labour market/employment policy. In 2017, the dialogue contributed to improvements of the monitoring mechanisms of existing policies and strategies, better coordination among the line ministries as well as legal approximation. Based on these positive developments, the EU Delegation launched the negotiations on the new Sector Reform Performance contract on skills development in the second quarter of 2017. In 2017, Georgia with EU support achieved notable results in developing a labour market information system and introduction of a new service model for the employment support services. In the dialogue, the EU emphasized in particular the importance of social dialogue and recommends involving employers, employees and trade unions more systematically in all important policy decisions. Despite efforts already made, there is still a considerable level of distrust between the social partners and the Government.
EAMR 2014	The transparent approach of the Delegation to consultation with civil society has resulted in regular and open exchanges with civil society representatives which often give rise to new activities, such as the series of multi-stakeholder dialogues on the impact of the Association Agreement and the DCFTA, supported by the Delegation during 2014 with the help of the NSA regional support project. CSOs have been helpful in organising events during missions, also gathering other CSOs in their regions for consultations.
Final Report Budget Support Georgia, 2019	Continued progress regarding DCFTA implementation (e.g. standardisation and metrology infrastructure, accreditation and market surveillance, competition policy and implementation of SPS measures) will require sustained efforts by the Georgian authorities. Whilst this Sector Reform Contract has come to an end, the EU side will continue to accompany Georgia in this process through policy dialogue – predominantly within the framework of the Association Committee in Trade Configuration – and via support, inter alia, under ongoing and future technical cooperation facilities as well as ENPARD.
DEVCO Management - Delegated Cooperation Standard fiche for assessing Delegation agreement files (no year)	Continuous policy dialogue with the Government and line ministries and enhanced cooperation with business associations, donors and all involved stakeholders will prevent deviations from the planned reforms and the correct implementation of the action.
Connectivity	
<i>Sources of information</i>	<i>Evidence</i>
Environment & CC	
European Neighbourhood Policy	The review of the European Neighbourhood Policy in 2015 notes that EU will support a resource-efficient economy by addressing environmental challenges such as degradation of and competition for natural resources. The CC objectives include the EU commitment to strengthen its energy dialogue and the promotion of sustainable energy, increased cooperation on energy efficiency, renewable energy sources on demand management and on action to mitigate and adapt to climate change as well as the promotion of the full implementation of the Paris Climate Agreement.
Association Agenda	The Association Agenda provides Env. & CC objectives for cooperation they included full implementation of Georgia's National Environmental Action Plan for 2012-2016, starting preparation for the adoption of national legislation in several areas, adoption and implementation by Georgia of a national biodiversity strategy, full implementation of the Aarhus and Rotterdam conventions and strengthening the dialogue on climate change. The development of the policy and legal framework shows an acceleration following the Association Agreement drafted in 2014 and coming into force in 2016 and accession to the Energy Community Treaty 2017. A major achievement has been the long-awaited Laws on Energy Efficiency and Energy Performance of Buildings, which form the cornerstone of climate mitigation, as 40% of all energy is used in buildings. Georgia is progressing in the legal approximation process for the environment and climate action under the AA. The annual monitoring and reporting inherent in the two processes are an important part of policy dialogue which assists the GoG in identifying progress and the next steps required donor coordination and policy dialogue are taking place in various formats, both government and donor led, varying according to the thematic area. Interviews with GoG representation during the field phase confirmed that GoG, by way of a dedicated team for donor coordination, seeks to ensure that 'competition' between IFIs and development partners does not lead to overlap between donor/financing efforts.

	Directly related with the Association Agreement, important fora of discussion include the Association Committee and the specific sub-committees , which provide an opportunity to strengthen policy dialogue. In addition, for Green Economy and Sustainable Management of Resources, there are two AoG donor coordination groups. There is also the Caucasus Biodiversity Council, which is discussed through a Regional/transboundary coordination platform supported by the WWF.
EU4 Environment	EU4 Environment supports the development of a green economy in Georgia . It is helping Georgia to facilitate national policy dialogues on green economy, further legal reforms on Strategic Environmental Assessment (SEA) and Environmental Impact Assessment (EIA) laws, promote the introduction of Resource Efficient and Cleaner Production (RECP) practices in SMEs, provide advisory services to establish Sustainable Public Procurement (SPP) and eco-labelling policies, develop waste management strategy, identify priority environmental sectors for policy reform, support public environmental expenditure management, contribute to green innovation in SMEs, strengthen capacities for the establishment of Extended Producers Responsibility schemes, promote compliance assurance, assess and reinforce administrative capacity of the governmental institutions for improved environmental management, and develop Green Growth Indicators (GGIs).
EaP CSO Ministerial on environment and climate	Policy dialogue also takes place with CSOs through the EaP CSO Ministerial on environment and climate, facilitated by PLATFORM 3: Connectivity, Energy Efficiency, Environment and Climate Change.
JOIN(2015) 50 Review of the European Neighbourhood Policy	The CC objectives include the EU commitment to strengthen its energy dialogue and the promotion of sustainable energy, increased cooperation on energy efficiency, renewable energy sources on demand management and on action to mitigate and adapt to climate change as well as the promotion of the full implementation of the Paris Climate Agreement.
Single Support Framework for EU support to Georgia (2017-2020)	Sector 3: Connectivity, energy efficiency, environment and climate change received EURM55.65- 67.95 or 15% of the total spending budget, mainly in the form of TA or policy dialogue. The lessons learned from implementation of the ENPI 2007-2013 and the ENI 2014 -2016 informed the programming of the SSF such as: the need to programme assistance within the framework of clear national sector strategies, supported by costed Action Plans and evidence of ownership by the Government; the importance of a sustained policy dialogue, the importance of mainstreaming cross-cutting issues – environment and climate change. Donor coordination and policy dialogue are taking place in various formats, both government and donor led, varying according to the thematic area. Directly related with the Association Agreement, important fora of discussion include the Association Committee and the specific sub-committees, which provide an opportunity to strengthen policy dialogue.
EAMR report 2020	The main tools to implement our assistance remained policy dialogue and budget support, accompanied by projects – including blending of grants and loans – and a growing recourse to indirect management with development agencies. Important blending operations are ongoing with KfW and EBRD for energy efficiency investments in public buildings, tied to explicit reform conditionality. Intense policy dialogue accompanies these operations, as well as flanking support through technical assistance, twinning, E5P lending operations, EU4Energy, and the Covenant of Mayors.
EAMR 2017	Large infrastructure investments: dialogue was particularly active in 2017 on energy efficiency, where the Delegation was deeply involved in the appraisal of possible loans to be blended in via ENI grants under the NIF. The negotiation of the terms with project promoters, IFIs, and Government involved intense interaction at all levels as well as mobilisation of ENI funded technical support teams. A high-level mission involving the Commission and the IFIs took place in March, kick starting dialogue on a potential large intervention as part of the 2018 assistance programme. Dialogue was also active on waste management, paving the ground for upcoming investment support to hazardous waste and solid waste management infrastructure, road transport as regards the East-West Highway and TEN-T extension, whereas for water, the year saw the transition between finalisation of earlier investments and the forthcoming ones.
EAMR 2019	Stronger Connectivity: “connectivity, energy efficiency, environment and climate action” Important blending operations were concluded with KfW and EBRD for energy efficiency investments in public building, tied to explicit reform conditionality. This was accompanied by intense policy dialogue at the highest level, and flanking support through technical assistance, twinning, E5P lending operations, EU4Energy, and Covenant of the Mayors. Slow progress in adoption of legislation currently constitutes a significant bottleneck.
Action document for EU4ENV	Policy dialogue is on-going at all levels with the Eastern Partnership. Ministerial meetings provide longer-term political guidance on shared priorities. The 2016 EaP Ministerial on environment and climate is among the high-level events preparing the next EaP Summit in November 2017. The Panel on Environment and Climate Change enables implementation.

<p>Progress Report No. 2 For the period of 01 January 2020 to 31 December 2020 To the European Union: Neighbourhood Investment Platform (“NIP”) On the implementation of the action entitled: (Delegation Agreement ENI/2018/403-314) “Enguri Hydro Power Plant Rehabilitation Project: Climate Resilience Upgrade”</p>	<p>Policy dialogue component, the Enguri Hydrology Initiative (the “Initiative”), a partnership between public and private hydropower operators with the relevant Government agencies to introduce improved river basin coordination, hydro-meteorological data sharing and best international practices in climate resilient hydropower management.</p>
<p>Energy –</p>	<p>Limited information available from documents scrutinised (e.g., no access to feasibility studies, ESIA’s and economic analysis) although issues discussed with stakeholders and project management during the field phase.</p>
<p>ENI/2018/403-314 Enguri Hydro Power Plant Rehabilitation Project: Climate Resilience Upgrade</p>	<p>The Project also features a significant policy dialogue component, the Enguri Hydrology Initiative (the “Initiative”), a partnership between public and private hydropower operators with the relevant Government agencies to introduce improved river basin coordination, hydro-meteorological data sharing and best international practices in climate resilient hydropower management. The Initiative presents a replicable model for climate resilient infrastructure development and for water resource management at basin scale in this strategically important sector. The Initiative supports Georgia implementing EU standards (as part of the EU water framework directive) to which it has committed under the EU Association Agreement. The Project is fully in line with the EU’s country strategy for Georgia under the European Neighbouring Policy and the EBRD’s Country Strategy for Georgia. The EU support, through the NIP contribution, will underpin EU active contribution to the peaceful settlement of conflict in the breakaway region of Abkhazia.</p>
<p>Transport</p>	
<p>The World Bank Fourth East West Highway Improvement Project (P130413)</p>	<p>The Bank-delivered and GIF-funded T.A. looking at M&O of the East-West Highway enabled the Bank to engage more widely in policy dialogue with the Government on the options of sustainable maintenance arrangements for the East West Highway.</p>
<p>European Neighbourhood Instrument (ENI) – 2017-2020 Single Support Framework for EU support to Georgia (2017-2020)</p>	<p>A number of lessons learned during the implementation of the ENPI 2007-2013 and the ENI 2014-2016 have informed the programming of this SSF including:</p> <ul style="list-style-type: none"> • The importance of a sustained policy dialogue; • The importance of mainstreaming the key principles of Public Administration, including on inclusive and evidence-based policy and legislative development (in line with the Better Regulation approach advocated at the EU level) in sector programmes and policy dialogue <p>Donor coordination and policy dialogue are taking place in various formats, mainly government led, varying according to the thematic area. Directly related with the Association Agreement, important fora of discussion include the Association Committee and the specific subcommittees, which provide an opportunity to strengthen policy dialogue. In addition, for what pertains to economic growth, it is done within the Economic Growth Thematic Group (Administration of Government). With respect to Agriculture, it is the Donor Coordination Council and the ENPARD Stakeholder Committee. For Business development there are the DCFTA/SME budget programme steering committee, the Trade and DCFTA Advisory Body, the Private Sector Development Council and the Investors Council. On Regional Development discussions take place in the framework of the Government Commission on Regional Development (GCRD); there is also a donor led group on Regional and Local Development Strategic Dialogue.</p> <p>Major risks include further deterioration of economic and/or political situation in the main trading partners as well as with the Georgia’s breakaway regions; further deterioration in the country’s public finances calling for a less ambitious public investment strategy; climate-related risks. These can partly be mitigated by enhanced policy dialogue and better prioritisation in public investment projects.</p>
<p>Mobility</p>	

<i>Sources of information</i>	<i>Evidence</i>
EAMR 2020	Several projects have continued to support migration management and the implementation of commitments related to visa free travel, accompanying an intense policy dialogue. Regarding mobility of students, Georgia reached the 9th rank at global level as regards the number of Erasmus beneficiaries. Regarding Horizon 2020, in addition to new cooperation with JRC, a twinning continued to support participation of Georgian research entities in EU research and innovation programmes.
EAMR 2019	Several new projects have been concluded in support to migration management and to implementation of commitments related to visa-free travel, accompanying intense policy dialogue.

I-1.3.5 Evidence that linkages are foreseen between development and “non-development” cooperation; e.g. EEAS (such as the EUMM) and DGs TRADE, ECFIN, and HOME spending and non-spending external actions.

No information has been gathered on the relationship between cooperation, EUMM, and spending or non-spending actions by other DGs.

<i>Evidence</i>	
Overall assessment of quality and credibility of evidence	No information has been gathered on the relationship between cooperation, EUMM, and spending or non-spending actions by other DGs, so the evidence for this indicator is assessed as Weak .
<i>Sources of information</i>	<i>Evidence</i>
EEAS EU-Georgia Factsheet ¹⁰	<p><u>Standing By Georgia On Security</u></p> <p>The EU remains firmly committed to its policy of supporting Georgia’s territorial integrity within its internationally recognised borders as well as engagement with the breakaway regions of Abkhazia and South Ossetia in support of longer- term conflict resolution. Immediately in the wake of the August 2008 hostilities, the EU deployed the EU Monitoring Mission (EUMM) to Georgia, which has been patrolling areas adjacent to the Administrative Boundary Lines with Abkhazia and South Ossetia day and night. This has reduced tensions and potential risks of escalation and contributed to stability throughout Georgia and in the surrounding region. Currently, EUMM has over 200 monitors working on the ground, and a 24/7 hotline, allowing the parties to the conflict to communicate on security-related issues in order to defuse tensions.</p> <p>The new EU SAFE programme will provide support on the fight against crime, border management, cybersecurity, and civil protection from natural disasters while also ensuring public oversight and accountability of the security sector.</p> <p>The EU also welcomes Georgia’s support to uphold the international rules based order in the relevant multilateral organisations. Georgia is also a contributor to tackling global and regional security challenges. A Framework Agreement on Georgia’s participation in the EU’s Common Security and Defence Policy operations entered into force in March 2014, and Georgia has since made remarkable contributions to several operations. Currently, Georgia provides 32 troops to the EU Military Training Mission in the Central African Republic and is also involved in the EU Training Mission in Mali.</p>

¹⁰ https://eeas.europa.eu/sites/default/files/eap_factsheet_georgia_en.pdf

I-1.3.6 MFA and support provided through other instruments/modalities have been effectively combined to address the context of the COVID-19 emergency


Macro-financial assistance was immediately mobilised to help Georgia react to the Covid crisis and was particularly important in addressing the balance of payments and fiscal impact of the virtual disappearance of tourism receipts. Other funds were made available in areas such as SMEs, rural development and environment and climate change, with particular emphasis on vulnerable communities. For the broader Team Europe approach to Covid, see I-2.1.4.

Evidence	
Overall assessment of quality and credibility of evidence	Because of the high importance attached to EU visibility in this area, the strength of evidence for this indicator is assessed as Medium .
<i>Sources of information</i>	<i>Evidence</i>
Memorandum of understanding between the EU and Georgia (2020) ¹¹	<p>On 25 May 2020, the European Parliament and the Council of the European Union adopted a decision (Decision (EU) 2020/701) on providing macro-financial assistance to enlargement and neighbourhood countries in the context of the COVID-19 pandemic.¹ The Decision makes available to Georgia (hereafter referred to as “the Country”) macro-financial assistance (hereafter referred to as “assistance”) of up to EUR 150 million in the form of a loan. The assistance shall be made available for one year starting from the first day after the entry into force of this Memorandum of Understanding (hereafter referred to as “the MoU”).</p> <p>The objective of this assistance is to ease the Country’s external financing constraints, alleviate its balance of payments and budgetary needs, strengthen its foreign exchange reserve position and help the Country address the current external and financial vulnerabilities. This assistance from the European Union is complementary to the resources provided to the Country by international financial institutions and bilateral donors in support of the authorities’ economic stabilisation and reform programme.</p>
<p>EUR Website (Tbilisi, 25/11/2020 - 13:32, UNIQUE ID: 201125_43 Press releases)</p>	<p><u>EU disburses €100 million in macro-financial assistance to Georgia, most of it as part of COVID-19 support</u></p> <p>Today the EU disbursed €100 million under its macro-financial assistance (MFA) programmes to Georgia, helping its balance of payments and alleviating its budgetary financing needs. MFA is meant to help restore a sustainable external financial situation, as a complement to International Monetary Fund (IMF) financing. Since 2008, the EU has launched four MFA operations in Georgia.</p> <p>This support is composed of € 75 million from a new MFA programme announced in April 2020 and aimed at limiting the economic fallout of the coronavirus pandemic. The other € 25 million come as last disbursement of a previous MFA approved in April 2018. Of the total, € 95 million are provided in the form of loans at favourable rates, while the remaining € 5 million are provided as non-reimbursable grant.</p> <p>The disbursement of €75 million from the COVID-19 MFA programme follows the EU’s agreement with the Government of Georgia to conduct reforms in the areas of public finance management, governance (notably to increase the independence, accountability and quality of the judicial system), energy sector and labour market policies. If these agreed reforms are achieved by the Government, a further € 75 million could be disbursed under this MFA programme early 2021.</p> <p>The second part of the disbursement of €25 million comes from the MFA programme agreed in April 2018, and is composed of €20 million of loans and a grant of €5 million. The policy conditions agreed and fulfilled for this second tranche enabled reforms on public finance management, financial sector, social and labour market policies and business environment.</p> <p>“The EU continues to stand by Georgia in weathering the COVID-19 pandemic. We are proud to provide these funds, which will provide macro-economic stability to the country so that the Government can focus on best supporting its citizens and companies. This is part of the EU’s wider GEL 1.5 billion EU COVID-19 support package for Georgia. We also believe the agreed upon reforms linked to this exceptional assistance will contribute to further</p>

¹¹ https://ec.europa.eu/info/sites/default/files/economy-finance/georgia_mou_2020_en.pdf

		bring Georgia closer to European standards in the long term and have concrete benefits for Georgians in aspects like the judiciary, labour safety and pensions.” noted EU Ambassador Carl Hartzell.
EEAS Factsheet ¹²	EU-Georgia	<p>EU STANDS BY GEORGIA DURING COVID-19 PANDEMIC. IN FOCUS:</p> <p>EU initiatives mobilised resources quickly to produce or provide much-needed medical equipment: The EU reacted fast and responded to the urgent needs of countries in the Eastern Partnership during the COVID-19 pandemic. As part of Team Europe, the EU has mobilised an ambitious support package totalling over €980 million of grants to help tackle immediate needs, such as support to the health sector and vulnerable communities, as well as short-term needs to support the social and economic recovery of the six countries. As part of this, a tailor-made COVID-19 response package specifically for Georgia worth over €183 million of grants is being mobilised using a mix of existing and new funds to deliver concrete support to people.</p> <ul style="list-style-type: none"> • Support to the health sector and emergency needs: • Support to civil society and vulnerable groups: • Support to SMEs and to small farms: • Support to the environment and green transition: • Support to fiscal resilience • Support to macro-financial stability: <p>Georgia will have access to a further €150 million of new emergency Macro-Financial Assistance loans from the EU on highly favourable terms to cover immediate, urgent financing needs.</p>

EQ2 - EU complementarity and added value

<p><i>To what extent has EU-Georgia bilateral and regional co-operation been coherent with and complementary to interventions of EU Member States and other donors, including in particular EU financial institutions?</i></p>		
<p><i>Description/ Rationale</i></p>	<p><i>This EQ assesses the synergies that were created and achieved between the EU support and the interventions of EU Member States and other donors, including European financial institutions such as EBRD and EIB. JC 2.1 looks at complementarity and coordination, i.e. the way EU support and the actions of EU MS and other donors complemented and reinforced each other. It also examines the creation of synergies and evidence of progress in joint programming efforts. JC 2.2 assesses the degree of added benefits brought by EU support and also focusses on visibility and public awareness of EU cooperation in Georgia. This EQ addresses coherence, coordination and complementarity (main focus of JC21) and EU added value (main focus of JC22).</i></p>	

JC2.1 Complementarity of EU support and the actions of EU MS and other donors

EU support and the actions of EU MS and other donors, incl. European financial institutions, complemented and reinforced each other.

I-2.1.1 Degree of complementarity, co-ordination and task division between DG NEAR/EEAS and other donors, incl. EU MS and European financial institutions.

Georgia is a “donor darling,” and evidence is that strict division of labour has been slow in developing. Nonetheless, GoG-led coordination is reasonably strong and donor coordination councils and working groups function well. In choosing priority sectors of intervention, the EU has extensively consulted with all stakeholders,

¹²https://eeas.europa.eu/sites/default/files/eap_factsheet_georgia_en.pdf

including civil society. In a number of sectors covered, such as PAR, PFM, agricultural / rural development, and RoL, multiple donor interventions have been identified. Complementarity has been more the case than duplication, A country where donor coordination was an early concern and where multiple coordination structures, both GoG and donor-led, coexist, raises issues, which cannot be explored at this stage, of coordination transaction costs.

Evidence	
Overall assessment of quality and credibility of evidence	Because all strategic and programming documents contain sections on coordination and complementarity, the quality of evidence for this indicator is Strong .
General	
<i>Sources of information</i>	<i>Evidence</i>
SSF 2014-2017	Although the EU is by far the largest donor, the choice of priority sectors has also been guided by a desire to complement and reinforce the interventions financed by other donors: most EU Member States are active in the chosen sectors as are Switzerland, USAID, the European Bank for Reconstruction and Development (EBRD), the European Investment Bank (EIB), the Asian Development Bank (ADB) , the World Bank (WB), the United Nations Development Programme (UNDP) and the Council of Europe.
SSF 2017-2020	Donor coordination and policy dialogue are taking place in various formats, both government and donor led, varying according to the thematic area. Directly related with the Association Agreement, important fora of discussion include the Association Committee and the specific sub-committees, which provide an opportunity to strengthen policy dialogue. In addition, governance as a general theme is discussed in joint government-donor governance thematic group. and there is in parallel a United Nations Development Programme (UNDP)-led donor coordination group on local government.
EAMR 2014	Division of labour is not yet in place, but the community of donors is quite well coordinated in terms of information sharing process and communication with the Georgian government. The EU Delegation plays a leading role in the process. There has been significant work done on the way towards Joint Programming by way of a joint EU HoMs note including a draft roadmap towards joint programming starting from the year 2017. The most significant EU MS are committed and cooperation on this approach and together with the drafting of the GoG national socio-economic strategy this allows to state that progress towards division of labour is likely to materialize in the course of the continuous work on joint programming.
EAMR 2016	In line with the strong and sustained efforts to promote donor coordination by the Government of Georgia through its Donor Coordination Unit (DCU), and by a number of line ministries at sectorial level there is good and extended coordination with IOs in Georgia. Towards identification and formulation IOs are consistently included in the programme design and this yielded for instance at the level of UN family IOs a strong degree of representation, Communication and visibility remain an issue that is being tackled through concerted actions leading to a standing working relationship as in the case of the UN, the CoE and other IOs. The same applies to NIF operations. Coordination with the World Bank develops in line with the above reasoning. [...] The concept of division of labour between the donors as such is not yet in place, but the community of donors together with the donor coordination unit under the Administration of the Government of Georgia is quite well coordinated in terms of information sharing process and communication. The EU Delegation plays a leading role in the process, notably when it comes to taking the initiative for new coordination efforts like co-chairing sectorial donor coordination meetings together with Government.. [...] There has been significant work done on the way towards Joint Programming with EU Member States and Switzerland (EU+), resulting in January 2017 by a Joint Programming
PAR	
<i>Sources of information</i>	<i>Evidence</i>

<p>Georgia Action Document for 'Support to Public Administration Reform in Georgia (PAR)'</p> <p>EC Implementing Decision on the AAP 2015,</p> <p>Annex 1 to FA, ENI/2015/037-832, TAPs, Support to the Public Administration Reform in Georgia (PAR)</p>	<p>Complementarity has been identified with the Council of Europe Programmatic Framework 2015-2017 (EU funded), particularly the regional project "Fight against corruption and fostering good governance" and the programme "Strengthening institutional frameworks for local governance"; and with the "EaP Facility on Democracy, Good Governance and Stability" (panels on PAR and fight against corruption).</p> <p>With its transversal approach, the programme complemented other EU bilateral support, synergies being foreseen with: the PFPRP, by focusing on From 2014, the donor coordination mechanism was significantly developed and a specific Unit at AoG ensures the overall coordination by the Government with all donors. The existing EU-specific coordination mechanism, through the Office of the State Ministry for European and Euro-Atlantic Integration remained and fed into the global coordination level with EU-related matters. The Good Governance Thematic Group, established in April 2015, acted as a coordination arena for a wide range of areas and convened on an annual basis. The PAR-specific main coordination channel with all national stakeholders and donors was the PAR Commission, with a technical group reporting to the Commission (which was to be established with the adoption of the Roadmap). The EUD maintained close exchanges with EU Member States, through regular meetings of the EU Development Counsellors, and with other main donors.</p>
<p>Georgia Action Document for 'Support to Public Administration Reform in Georgia (PAR)'</p> <p>EC Implementing Decision on the AAP 2015, Annex 1</p> <p>Annex 1 to FA, ENI/2015/037-832, TAPs, Support to the Public Administration Reform in Georgia (PAR)</p>	<p>There was <u>complementarity</u> between the PAR intervention and a number of other donor projects in the field:</p> <ul style="list-style-type: none"> • USAID provides targeted support to the central public administration (including AoG and the Civil Service Bureau) and to strengthening capacities of the local authorities, as well as targeting MoF and State Audit Office • World Bank (PFM) • UNDP (donor coordination, local development, support to the Parliament jointly with the EU) • GIZ • Sweden (judicial reforms, accountability, public participation, media, environment, local governance, twinning to GEOSTAT) • Austria (twinning with Data Exchange Agency which leads the e-governance strategy) and North Atlantic Treaty Organization (NATO) - professional development programme, targeting civil servants
<p>SSF 2017-2020</p>	<p>Public Administration Reform is discussed within the Public Administration Reform Council, government led group where the EU is an observer; there is in parallel an informal donor led group of discussion. Local governance is discussed at Government level in the Commission for Regional Development.</p>
PFM	
<p><i>Sources of information</i></p>	<p><i>Evidence</i></p>
<p>Georgia Action Fiche for Support to PFPR, EC Implementing Decision on the AAP,</p>	<p>Other key donors which provided support to PFM (and mainly focused on addressing specific weaknesses in PFM), which was complementary to EU assistance were:</p> <ul style="list-style-type: none"> • Swedish International Development Cooperation Agency (Sida) which provided opportunities to support institutions that are central in respect of relevant actions related to, for example, the "Oversight cluster" (together with Netherlands?) • The World Bank completed its third Development Policy Operations (DPO) in mid-2012, focusing on the following policy areas: mitigation of the impact of the economic downturn in the short-term; and facilitation of the recovery and preparing Georgia for post-crisis growth in the medium-term. • Complementary TA was also implemented under the World Bank-led Public Sector Financial Management Reform Support (PSFMRS) project. The project was co-financed under a pooling arrangement and the project end date, originally 2010, was extended by a further two years. • While the IMF did not implement specific TA projects with the government, the "Structural Benchmarks" relating to public finance were set under IMF programmes. • GIZ assisted the State Audit Office with drafting the performance audit methodology and providing management support to the State Procurement Agency. In addition, GIZ provided TA and training to the MoF to help in the development of an audit methodology, in

	<p>accordance with the standards of the Institute of Internal Auditors (IIA). The National Audit Office of Sweden and the State Audit Office of Georgia also cooperated closely to develop a financial audit manual and to conduct pilot audits moving towards ISSAI</p> <ul style="list-style-type: none"> • The State Audit Office (SAO) also established good cooperation with the SAIs of Latvia and Lithuania, so as to carry out, with the assistance of those colleagues, pilot audits in order to test relevant methodologies
Agriculture & rural development	
<i>Sources of information</i>	<i>Evidence</i>
ENPARD II AD	<ul style="list-style-type: none"> • Sector coordination in the agriculture sector started in 2009, under the initiative of the EUD, and is led by the MoA through the established Donor Coordination Council. It includes some 40 members and is divided in sub-groups dealing with key measures under the SADG. Under the leadership of the MoA, a newly established Rural Development Unit is in charge of overall coordination of the sector.
ENPARD II	<p>The following key donor initiatives are complementary to the EU ENPARD programme and provide important synergies</p> <ul style="list-style-type: none"> • Swiss Development Cooperation (SDC) Market alliances against poverty • SDC/Danish International Development Agency (DANIDA) Development dairy/potatoes • SDC/UNDP Agricultural vocational education • Austrian Development Agency (ADA) Support to FAO • FAO: Assessment of the policy organization, capacity and procedures of the Ministry of Agriculture of Georgia (ENPARD) • WB/IFAD Irrigation, land registration; Rural development • British Petroleum Rural development support • USAID New economic opportunities • Food safety/SPS • ADA/SDC Animal identification & registration • Swedish International Development Cooperation Agency (SIDA) Support to the NFA • US Department of Agriculture (USDA) Support to the laboratory of the MoA • The FAO provides capacity building support to the MoA, including TA for further improvement of the overall donor coordination system. • UNDP implements ENPARD actions in the Adjara autonomous region, including coordination. Donor coordination for Abkhazia is mostly done by UNDP via the Joint Consultative Forum and the Ambassadorial Working Group in Tbilisi, and as primus inter pares at the Abkhaz Strategic Partnership in Abkhazia, which brings together UN agencies and international NGOs.
ENPARD III	<p>The following key donor initiatives are complementary to the EU ENPARD programme and provide important synergies:</p> <ul style="list-style-type: none"> • USAID Restoring Efficiency to Agriculture Production • ZRDA - Economic Growth Project • World Bank/IFAD Irrigation, land registration • Swiss Development Cooperation (SDC) Market Alliances in the Lesser Caucasus Region of Georgia and Fostering Local and Regional Development in Georgia • Austrian Development Cooperation (ADC) Capacity Development of the Ministry of Agriculture (under ENPARD) and Forest Sector Reform Programme • Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) Sustainable Biodiversity Management in the South Caucasus and Local Governance Programme South Caucasus • Kreditanstalt für Wiederaufbau (KfW) Integrated Solid Waste Management in Kutaisi • EBRD Georgian Solid Waste Management Project • The FAO provides capacity building support in agriculture to the MoA and is also implementing direct agricultural support services in rural areas.

	<ul style="list-style-type: none"> The UNDP provides capacity building support in rural development to relevant ministries and implements ENPARD support actions in the Adjara autonomous region and other direct support programmes in the areas of socio-economic development, VET and environment. Both UN agencies support leadership capacities of relevant institutions and effective donor coordination for their respective sectors.
Justice, Rule of Law, democratic governance, and human rights	
<i>Sources of information</i>	<i>Evidence</i>
SSF 2017-2020	Justice is discussed in the governmental Judicial Strategic Committee; there is in parallel donor groups including Government, United States, EU, the German Development Agency, UNDP, Open Society and Council of Europe. Criminal justice is discussed in the framework of the Criminal Justice Reform Inter-Agency Council (Working Group); there is a parallel discussion group including the EU and the US. For what pertains to Civil, Administrative and Constitutional laws, discussions take place in the Private Law Reform Inter-Agency Council (working groups) and there is a parallel discussion group including the EU, Germany and the US. Human rights are discussed within the Rule of Law and Justice Thematic Coordination Group and the EU leads a coordination group. On Civil Society, there is a government led thematic governance group (democratic participation and civil society); in parallel there is a reference group for the EU Road Map for engagement with CS (donors, Civil Society organisations...), EU Development Counsellors meetings and EU-USAID meetings. On Elections (incl. Media Election Monitoring) there are meetings at Working Group level with Central Election Commission (including donors); EU - EU Member States meeting also took place on elections. On Gender there is a Government Gender Donor coordination group. On Women's political participation there is a Gender Task Force on Women's political participation and a parallel working group including NGOs, political parties and international organisations (coordinated by National Democratic Institute). There is also Coordination Council on the implementation of the NAP on UN SC Resolution 1325 (and sister resolutions) which serves as a prevention and early warning/post conflict rehabilitation mechanism.
Georgia Case study, Thematic Evaluation of EU cooperation in RoL, 2010-2017.	Government coordination of cooperation in Georgia was "traditionally weak" (CSP 2007-2013, p. 18) and "not fully satisfactory" (NIP 2011-2013, p. 28), but has been strengthened with EU support (largely TA). In the early years of the evaluation period, there were significant institutional changes in coordination structures, with overall responsibility for donor coordination, based in the Ministry for European and Euro-Atlantic Integration, being in effect placed under the supervision of a new high-level coordination unit in the Government Chancellery. The EUD hosts regular MS meetings and coordination at sector level is described as "generally good" (ibid, p. 19). In criminal justice reform, coordination is ensured by the Criminal Justice Inter-Agency Coordination Council (ICC), its Secretariat, and its 11 Working Groups (SSF 2014-2020, pp. 14-15). Since 2009 Government has hosted at least annual coordination meetings bringing together all stakeholders to report on progress and discuss actions for the following year. Other coordination bodies in place are an Anti-Ill Treatment Council and Anti-Corruption Council; the EU participates in all these Councils. With the broadening of the reform agenda to cover civil and administrative law reform as well as criminal justice, a Consultative Council on Civil Law was constituted (Action Document for Justice Reform Under AAP 2014, p. 15). Justice sector coordination is described in more detail in the Action Fiche for AAP 2011 (pp. 3-4). A MoU between Government and major players in justice reform (the EU, UN, Norway, USAID and others) was signed in 2010 (ibid.). The annual EU-Georgia Human Rights Dialogue has been in place since 2009 and is reported by participants to be strong and characterised by good engagement. There is sustained and close communication between donors active in RoL and related areas under the direction of the ICC (Action Fiche for Georgia AAP 2011, p. 5). Joint programming between the EU and MS commenced in 2017. One area where coordination has been less than successful is support to the High School of Justice, where multiple donors are active, resulting in a multiplication of visitors and study tours, as well as possibly conflicting messages; e.g. sending civil lawyers on study tours to common law countries.
Annex III: Public Policy Eligibility	The <i>coordination of the reform</i> policy development and implementation remains particularly important for ensuring effectiveness and accountability, while at the same time maintaining independence of the sector components. The creation of the <i>CJRC</i> in 2008 has contributed to the Government's ownership and leadership of the reform process, harmonisation of priorities among donors, and greater inclusiveness and coordination between the judiciary/executive/legislative powers and the civil society. <i>MOJ</i> has played an instrumental role in providing coordination at the <i>operational level</i> , alongside the role of <i>CJRC</i> at the <i>policy-setting level</i> . All the 9 working groups (WGs) within <i>CJRC</i> meet regularly, provide inclusive representation ¹³ , and disseminate decisions widely.

¹³ Including CSOs

	<p>In April 2013, MOJ set up the <i>Consultative Council on Implementation of Private Law Reforms</i> (CCPL) mandated to develop a Private Law Strategy by a consultative process. The Council is composed of 6 WGs with thematic competences in property law, civil procedure, company law and insolvency, law of obligations, personal rights and 'other' civil law areas. Support for CCPL is also provided by MOJ. CJRC is not as formally structured as CJRC, as it represents only a consultative body for the MOJ.</p> <p>In addition, an <i>Inter-Agency Council for the Development of National Human Rights Protection Strategy and Action Plan</i> was created in July 2013 as part of the Visa Liberalisation AP requirements, co-chaired by the Justice Deputy Minister and PM Advisor on Human Rights. It contributes to comprehensive policy and planning, building on various other strategies and existing mechanisms. The EU-Georgia policy dialogue on justice and human rights is institutionalised at both policy-setting and operational levels. Coordination with EU Member States is ensured through various means (e.g. monthly development counsellors meetings, <i>ad hoc</i> working groups, and involvement in the preparation of the current Programme).</p> <p>Donors are coordinated by the sector policy-setting coordination and monitoring bodies, including CJRC, CCPL and MOJ. In addition, a dedicated donor coordination unit has been set up at the GOG Chancery for all sectors. The unit developed special software and methodologies for following donor inputs. Some EU Member States also take part in a wider policy dialogue, participating in annual meetings with donors and CSOs organised by CJRC and other formats (e.g. rule of law roundtables, hosted by EUD, EU human rights focal point meetings). In the context of the donor coordination, EU also conducts regular consultations with national and international CSOs.</p> <p>The above coordination mechanism has also notably been subject to a test of 2 previous EU-financed SPSPs (also see Section 2 below). It is well balanced between the different levels and benefits from a strong political leadership by use of the binding-decision making powers (CJRC), advisory powers (CCPL), as well as effective operational support provided to these bodies by the CJRC Secretariat and MOJ. It is considered stable, without possible negative impacts in case of political changes due to sufficient decentralisation and clear distribution of duties and powers. Some of its aspects can still be improved, especially regarding long-term planning, M&E capacity, awareness of stakeholders on EU policy making and programming. Effective sector coordination, inter-sector consultation, and broader justice sector planning will be monitored through special conditions under this Sector Reform Contract.</p>
Economic development and market opportunities (DCFTA, SMEs, VET)	
<i>Sources of information</i>	<i>Evidence</i>
EAMR 2018	Regular coordination meetings were held with Member States and likeminded donors at both general and sector levels. Implementation and planning of assistance following the agreed priorities from Joint Programming, not least in the Single Support Framework 2017-2020.
EAMR 2016	The concept of division of labour between the donors as such is not yet in place, but the community of donors together with the donor coordination unit under the Administration of the Government of Georgia is quite well coordinated in terms of information sharing process and communication. The EU Delegation plays a leading role in the process, notably when it comes to taking the initiative for new coordination efforts like co-chairing sectorial donor coordination meetings together with Government. There has been significant work done on the way towards Joint Programming with EU Member States and Switzerland (EU+), resulting in January 2017 by a Joint Programming document setting out in six sectors a Joint Analysis and the common objectives, expected results and first indicators of EU+ interventions.
EAMR 2014	Division of labour is not yet in place, but the community of donors is quite well coordinated in terms of information sharing process and communication with the Georgian government. The EU Delegation plays a leading role in the process.
Georgia: Compliance Review – EU Sector Budget Support Programme Support to EU-Georgia DCFTA and SME, 2017	DCFTA Action Plan: The State Procurement Agency continues regular meetings with private sector representatives to raise awareness about public procurement reforms and to reach out to business communities. In close cooperation with GIZ and USAID, five meetings were held with business community and NGOs in 2016.
Connectivity	
<i>Sources of information</i>	<i>Evidence</i>

	Interviews with development partners and IFIs (EBRD, KfW, EIB, AFD) and EU were sought during the field phase to establish the degree and quality of coordination which had taken place in previous years, and how this could be re-established and improved.
Environment & CC	
EU+ Joint Approach to Programming In Georgia	The EU+ Joint Approach to Programming [...] areas include, among others, sustainable and inclusive growth and sustainable use of human resources with environmental impact assessment legislation and energy efficiency. The thematic sector: Sustainable Use of Natural Resources considers potential to move towards a low-emission and climate-resilient economy, more sustainable production and consumption, as well as better waste management in line with circular economy principles. While Government is in the process of adopting EU standards with work on waste, environmental and biodiversity protection, forest management, energy efficiency and water management legislation underway or mapped out, Georgia remains heavily reliant on energy imports, lacks solid and comprehensive regulatory frameworks for energy, environment and climate protection, and has a neglected water and waste infrastructure. At the same time Georgia has a potential for renewables, mostly from hydro resources, but also from largely untapped resources such as wind, solar, geothermal and biomass. There is a significant scope for energy efficiency measures to have both positive climate and economic impacts and minimum impact on environment. Proposed EU+ response include the following elements: supporting implementation of commitments in the AA and other international protocols, supporting transposition and implementation of EU environmental acquis, supporting implementation of (1) the National level Forest Inventory and (2) country-wide forest management inventories and (3) a National Forest Information and Monitoring System; increasing energy security and independence through targeted infrastructure investments, supporting use and expansion of energy efficiency and renewable energy measures, supporting improved waste and water infrastructure and management systems and supporting adoption and implementation of the new Environmental Assessment Code, and establishment of Inventory and valuation of ecosystem services.
Neighbourhood Investment Platform (NIP)	The Neighbourhood Investment Platform (NIP) is a mechanism illustrating coordination and aimed at mobilising additional funding to finance capital-intensive infrastructure projects in the countries covered by ENI in the sectors such as transport, energy, environment and social development. The NIP also supports the private sector, mainly through investment grants and risk capital operations targeting small and medium-sized enterprises. NIP is pooling grant resources from the EU budget and the EU MS and is using them to leverage loans from the European Financial Institutions as well as contributions from the ENP partner countries themselves. It has been suggested that coordination between the EU and other donors/IFIs has, as a result of COVID restrictions, become more difficult due to the lack of face-to-face meetings, and coordination has been more limited. Interviews with AfD, KfW, GIZ, SIDA, Austria) and IFIs (EBRD, KfW, EIB) and EUD and EC HQ were sought during the field phase to establish the degree and quality of coordination which had taken place in previous years, and how this could be re-established and improved.
Energy	Limited information available from documents scrutinised (eg no access to feasibility studies, ESIA's and economic analysis) although issues discussed with stakeholders and project management during the field phase.
Transport	
The World Bank Fourth East West Highway Improvement Project (P130413)	Close and structured coordination with other development partners has helped yield high-impact programs. The Bank's engagement through the wider East-West Highway program and the close coordination with the Government and other development partners, namely the European Investment Bank (EIB) and subsequently the Asian Development Bank (ADB), helped generate strong momentum to support the Government with this large infrastructure initiative. While coordination at the strategic level has shown good results, there is more space for improvement at the implementation level, including coordination on the review of studies that are financed by an IFI with civil works financed by another. The strategic orientation awarded by the Bank to the development of the East-West Highway maximized the benefits for Georgia, illustrating the importance of long-term engagement. The Bank's lead role in supporting the early phases of the East-West Highway program generated interest from other development partners, who stepped in to finance sizable shares of the highway, enabling the Bank to engage more actively in strategic aspects such as sector governance and supporting the wider eco-system of the highway network. This complementarities in engagement offered Georgia the opportunity to maximize the benefits at the sectoral level.
European Neighbourhood Instrument (ENI) – 2017-2020	The regional and multi-country programmes will continue to provide key complementary support to implement results to citizens in the context of the EaP priorities set in Riga and the regional multiannual indicative plan. <ul style="list-style-type: none"> • Complementary support for capacity development/institution building EUR18.55 million – EUR22.65 million 5%

Single Support Framework for EU support to Georgia (2017-2020)	<ul style="list-style-type: none"> • Complementary support for civil society development EUR18.55 million – EUR22.65 million 5% • Complementary support for strategic communication EUR18.55 million – EUR 22.65million 5%
Technical Assistance for Georgia Transport Connectivity— Phase 1” financed from the general budget of the European Union under the Neighbourhood Investment Platform ENI/2018/403-497	The EU Contribution supporting the Project through the Action complements the financing package made available, through sovereign loans, by the Bank and the other IFIs.
Enpi/2015/359-333 Legal approximation of the Georgian Civil Aviation regulations with EU standards - Partners: Austro Control GmbH (ACG) & Croatian Civil Aviation Agency (CCAA) Twinning Final Report European Commission Twinning Projects	In order to avoid duplications and seek complementary and added value, co-ordination will be assured by regular communication with the department "International Cooperation" of EASA regarding above-listed and future possible bilateral and regional assistance programs in the field of civil aviation.
Mobility	
<i>Sources of information</i>	<i>Evidence</i>
JOINT STAFF WORKING DOCUMENT Association Implementation Report on Georgia, 2020	The Commission, the Justice and Home Affairs Agencies, the EU Member States and the Georgian authorities have worked together on a set of operational measures to decrease irregular migration and crime-related challenges linked to visa-free travel of Georgian citizens to the EU, in line with the recommendations of the visa suspension mechanism report. These include information campaigns on the rights and obligations of visa-free travel and strengthening cross-border law enforcement cooperation to fight against Georgian organised crime groups.

I-2.1.2 Evidence of progress in [joint analysis and programming](#) (EU/MS)

There has been steady nearly linear progress on Joint Programming in Georgia, from donor commitments made in 2013 to a full EU+ JP agenda set forth in the SSF 2017-2020. Facilitating this has been the reasonably effective donor coordination mechanism in Georgia.

Evidence	
Overall assessment of quality and credibility of evidence	Evidence for this indicator is assessed as Strong .
<i>Sources of information</i>	<i>Evidence</i>

EAMR 2014	There has been significant work done on the way towards Joint Programming by way of a joint EU HoMs note including a draft roadmap towards joint programming starting from the year 2017. The most significant EU MS are committed and cooperation on this approach and together with the drafting of the GoG national socio-economic strategy this allows to state that progress towards division of labour is likely to materialize in the course of the continuous work on joint programming.
EAMR 2018	A Joint Analysis for Georgia was endorsed by all EUMS HoMs and Switzerland on 11 April 2017 and still forms the basis for cooperation today, thereby making possible closer synergies and helping avoiding duplication of aid efforts. With all mid-term programming largely completed, the EUMS have discussed to update the joint analysis.
EU+ Joint Approach to Programming in Europe	The EU+ Joint Approach to Programming In Georgia is a response of the EU Heads of Mission and Switzerland to Georgia (EU+) to have a joint programme in place for the 2017-2020 period to both better coordinate their aid and to improve the efficiencies and effectiveness of programming. The Joint Strategy is structured along the Government's six thematic sectors which are presented as sector fiches setting out joint analysis of development gaps and reform bottlenecks, common goals for EU+ assistance in the respective areas and areas where there is particular interest and potential for coordinated policy dialogue.
SSF 2017-2020	The choice of priority sectors has also been guided by the Joint Programming exercise, initiated in Georgia in 2013 and recently embodied into a Joint Strategy on six sectors as well as with the key global policy goals set by the UN 2030 Sustainable Development Goals and the Paris Agreement on Climate Change.

I-2.1.3 Evidence of synergies between EU support and the actions of EU MS, European financial institutions (e.g., through blending) and other donors.

While division of labour, horizontal coherence (donors expressing the same policy message), and joint programming are straightforward concepts and can be assessed credibly, synergy is much more difficult to measure. As between donors, complementarity (and its inverse) is easily measured, synergy much less so. The result is that synergies are more often speculative than evidence-based. A workable definition of synergy might be the whole being more than the sum of the parts, which might relate to economies of scale or scope, or non-linearities more generally. No evidence gathered in this evaluation would permit a judgment.

A specific concern has to do with blending, a relatively recent approach in which the synergy to be assessed is between the results of combining relatively small EU-financed grants (perhaps for TA or project preparation) with large infusions of loans from European Financial Institutions. Multiple issues beyond the scope of this evaluation (another devoted exclusively to the approach is now starting) are involved, including the relevance of the frequently-cited leverage measure and the issue of additionality¹⁴.

Without citing specifics, and limiting ourselves to Georgia, there are a number of dimensions in which synergy is likely achieved. EU-led sector reforms open opportunities for smaller donors, including MS. In energy efficiency. EFI investments interact with energy market regulatory and governance reforms being implemented in the context of blending. EU support, combined with IMF cooperation in macroeconomic management likely results in outcomes better than would be achieved by one actor on its own. There are also likely inter-sectoral synergies, for example, between support for DCFTA, SMEs, VET, and agriculture and rural / regional development. EU support for human rights has likely achieved synergies with EU's Team Europe response to Covid. EIB support in transport, particularly upgrading the East-West Highway, achieves broad synergies with economic development and DCFTA.

Evidence

¹⁴ Interviews with EUD during the field phase on issues of leverage confirmed the variations in leverage between sectors, the degree of project/concept innovation or maturity and that the concept of leverage as a comparison metric is useful in promoting optimum use of limited EU funding.

Overall assessment of quality and credibility of evidence	Synergy is more often claimed than demonstrated or validated by credible evidence. While the assessment of this indicator is favourable, the evidence on which is based is assessed as Medium .
PFM	
<i>Sources of information</i>	<i>Evidence</i>
Georgia Action Fiche for Support to PFPR, EC Implementing Decision on the AAP	<p>There were synergies between the support provided to PFM by other donors and EU assistance (and mainly focused on addressing weaknesses in PFM):</p> <ul style="list-style-type: none"> • Swedish International Development Cooperation Agency (Sida) which provided opportunities to support institutions that are central in respect of relevant actions related to, for example, the "Oversight cluster" (and Netherlands?) • The World Bank completed its third Development Policy Operations (DPO) in mid-2012, focusing on the following policy areas: mitigation of the impact of the economic downturn in the short-term; and facilitation of the recovery and preparing Georgia for post-crisis growth in the medium-term. • Complementary TA was also implemented under the World Bank-led Public Sector Financial Management Reform Support (PSFMRS) project. The project was co-financed under a pooling arrangement and the project end date, originally 2010, was extended by a further two years. • While the IMF did not implement specific TA projects with the government, the "Structural Benchmarks" relating to public finance were set under IMF programmes. • GIZ (Deutsche Gesellschaft für Internationale Zusammenarbeit) assisted the State Audit Office with drafting the performance audit methodology and providing management support to the State Procurement Agency. In addition, GIZ provided TA and training to the MoF to help in the development of an audit methodology, in accordance with the standards of the Institute of Internal Auditors (IIA). The National Audit Office of Sweden and the State Audit Office of Georgia also cooperated closely to develop a financial audit manual and to conduct pilot audits moving towards International Standards for Supreme Audit Institutions (ISSAI). • Georgia's State Audit Office (SAO) also established good cooperation with the SAIs of Latvia and Lithuania, so as to carry out, with the assistance of those colleagues, pilot methodologies.
Agriculture & rural development	
<i>Sources of information</i>	<i>Evidence</i>
ENPARD II/AD	<i>Evidence</i> Sector coordination in the sector started in 2009, under the initiative of the EUD, and is led by the MoA through the Donor Coordination Council, which has 40 members and is divided into sub-groups dealing with key measures under the SADG. Under the leadership of the MoA, a newly established Rural Development Unit will be in charge of overall coordination of the sector.
ENPARD II/AD	<p>The following key donor initiatives are complementary to the EU ENPARD programme:</p> <ul style="list-style-type: none"> • Swiss Development Cooperation (SDC) Market alliances against poverty • SDC/Danish International Development Agency (DANIDA) Development dairy/potatoes • SDC/UNDP Agricultural vocational education • Austrian Development Agency (ADA) Support to FAO • FAO: Assessment of the policy organization, capacity and procedures of the Ministry of Agriculture of Georgia (ENPARD) • WB/IFAD Irrigation, land registration; Rural development • British Petroleum Rural development support • USAID New economic opportunities • Food safety/SPS • ADA/SDC Animal identification & registration • Swedish International Development Cooperation Agency (SIDA) Support to the NFA

	<ul style="list-style-type: none"> • US Department of Agriculture (USDA) Support to the laboratory of the MoA • The FAO provides capacity building support to the MoA, including TA for further improvement of the overall donor coordination system. • The UNDP implements ENPARD actions in the Adjara autonomous region, including coordination. Donor coordination for Abkhazia is mostly done by UNDP via the Joint Consultative Forum and the Ambassadorial Working Group in Tbilisi, and as primus inter pares at the Abkhaz Strategic Partnership in Abkhazia, which brings together UN agencies and international NGOs.
ENPARD III/AD	<p>The following key donor initiatives are complementary to the EU ENPARD programme:</p> <ul style="list-style-type: none"> • USAID: Restoring Efficiency to Agriculture Production • ZRDA: Economic Growth Project • World Bank/IFAD: Irrigation, land registration • Swiss Development Cooperation (SDC): Market Alliances in the Lesser Caucasus Region of Georgia and Fostering Local and Regional Development in Georgia • Austrian Development Cooperation (ADC): Capacity Development of the Ministry of Agriculture (under ENPARD) and Forest Sector Reform Programme • Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ): Sustainable Biodiversity Management in the South Caucasus and Local Governance Programme South Caucasus • Kreditanstalt für Wiederaufbau (KfW): Integrated Solid Waste Management in Kutaisi • EBRD: Georgian Solid Waste Management Project • The FAO provided capacity building support in agriculture to the MoA and also implemented direct agricultural support services in rural areas • The UNDP provided capacity building support in rural development to Consultative Forum and the Ambassadorial Working Group in Tbilisi and, as primus inter pares at the Abkhaz Strategic Partnership in Abkhazia, which brings together UN agencies and international NGOs, relevant ministries and implemented ENPARD support actions in the Adjara autonomous region and other direct support programmes in the areas of socio-economic development, VET and environment. Both UN agencies support leadership capacities of relevant institutions and effective donor coordination for their respective sectors. Donor coordination for Abkhazia was mainly conducted by UNDFP via the Joint
Justice, Rule of Law, democratic governance, and human rights	
<i>Sources of information</i>	<i>Evidence</i>
USAID Georgia website ¹⁵	<p>USAID is one of the most important players in ROL, human rights, and democratization field. Notable among them are two USAID-funded projects, both implemented by EWMI. One of the projects, PROLOG, strives to strengthen the justice system to ensure due process, judicial independence and the protection of human rights. It focused on changing the legal framework related to the protection of human rights and due process and improving the management of justice sector institutions (High Council of Justice, High School of Justice, the courts, the Georgian Bar Association and Legal Aid Services). The project also targeted CSOs to support their advocacy efforts and to promote better access to justice of Georgian citizens through CSO-implemented legal aid. Another EWMI project, ACCESS, aimed at enhancing effectiveness of CSOs in Georgia through: (1) increasing public confidence in CSOs and citizen participation in CSO initiatives, and (2) assisting CSOs to develop into stable and sustainable organizations. Both projects have ended in 2021 and new projects of similar size and nature are about to be awarded. Another relevant initiative (for issues covered under commercial law) is USAID's G4G initiative, designed to support the GOG in a business supportive environment, which provides development and implementation of economic reforms in a fair and transparent competitive conditions for the development of small and medium businesses. Some level of support is provided to the media through USAID-funded projects implemented by IREX and Zinc Network (the latter in large part is on media and information literacy). USAID also supports projects aimed at tolerance (including support of the PDO's tolerance centre), anti-discrimination, and GEWE.</p>

¹⁵ <http://ewmi-prolog.org/en/home/>; <http://ewmi-access.org/>;

<http://zrda.georgiano.ge/index.php/en/partners/item/163-usaid-g4g>; <https://www.irex.org/project/media-transparent-and-accountable-governance-m-tag>; <https://www.usaid.gov/news-information/press-releases/oct-8-2020-usaid-launches-innovative-program-counter-disinformation-georgia>

U.S. Embassy in Georgia website ¹⁶ For more information about USDOJ OPDAT activities, see the US department of Justice's website ¹⁷	The U.S. Bureau of International Narcotics and Law Enforcement (INL) and the U.S. Department of Justice provided and continue to provide technical assistance to the MoJ and the Prosecution Service to successfully investigate and prosecute complex criminal offenses and white-collar crimes and supported implementation of an Integrated Criminal Case Management System (ICCMS). INL also supported the MIA on such issues as forensic capacities, effective criminal investigations, combating cybercrime, fight against domestic violence, and anti-trafficking.
SIDA's website ¹⁸	Sida is a major player on GEWE issues and support to CSOs , with Danida also increasing its presence in civil society support area. Other member states have significantly smaller presence in the field, including the Netherlands, Norway, and Czechia (mostly on SPS and consumer rights).
Economic development and market opportunities (DCFTA, SMEs, VET)	
<i>Sources of information</i>	<i>Evidence</i>
Georgia: Compliance Review – EU Sector Budget Support Programme Support to EU-Georgia DCFTA and SME Assessment Report, 2017	Regulation (EC) 765/2008 explicitly requires Member States to carry out market surveillance and lays down the requirements for accreditation and market surveillance relating to the marketing of products. Strengthening market surveillance benefits all market players by creating a basis for eliminating dishonest operators, helping to improve competition and allowing for the proper protection of citizens from non-compliant and dangerous products. In order to eliminate technical barriers to trade and to implement the DCFTA between the EU and Georgia, it was agreed to develop a market surveillance service in Georgia compliant with EU requirements.
Review of Sector Reform Contract on Employment and Vocational Education and Training (EVET) Final Report, 2017	A "Survey of Employers in Relation to Vocational Education" has been carried out by independent experts with the support of GIZ and UNDP. It involved 230 of the 400 companies considered as partner organisations of the VET colleges, and referred to different aspects such as the capacities of the VET schools, competences of graduates, forms of cooperation between businesses and VET schools, etc. Three pilot projects to develop work-based learning (WBL) have been set up and are reported as operational. All are focussed on agricultural occupations, and include two supported by SDC/UNDP, implemented by the Georgian Farmers' Association (GFA) on cattle husbandry and fruit growing (nuts and stone fruit) and one by GIZ on viticulture and wine, linked to particular VET colleges that offer agricultural programmes. Some training of VET college Career Consultants was also provided by the MCA-G project, some participating in training in Germany. VET college Career Consultants were also trained by the Norwegian project (Introduction of Inclusive Education in VET System of Georgia) on working with students with special educational needs. UNDP awarded a grant to NCEQE to develop modules to be used for professional orientation and career guidance of school pupils mainly in the field of agriculture.
Connectivity	
<i>Sources of information</i>	<i>Evidence</i>
Assessment by the team based on interviews.	The main tools to implement EU support remained policy dialogue and budget support, accompanied by projects – including blending of grants and loans – and a growing recourse to indirect management with development agencies. Important blending operations are ongoing with KfW and EBRD for energy efficiency investments in public buildings, tied to explicit reform conditionality ('policy-based loans') ¹⁹ . Policy dialogue accompanies these operations, as well as support through technical assistance, twinning, E5P lending operations, EU4Energy, and the Covenant of Mayors. Following the progress made in adopting primary energy and energy efficiency laws, the EU now expects key pieces of secondary legislation to be enacted to ensure the full implementation of the sector reform
Environment & CC	

¹⁶ <https://ge.usembassy.gov/embassy/inl-activities/>, and <https://ge.usembassy.gov/embassy/inl-activities/>.

¹⁷ <https://www.justice.gov/criminal-opdat/worldwide-activities/eurasia>.

¹⁸ <https://www.sida.se/en/publications/sida-funded-initiatives-targeted-at-gender-equality-in-georgia>; <https://www.sida.se/en/sidas-international-work/georgia>

¹⁹ Interviews with GoG representation during the field phase noted that GoG has engaged with various development partners concerning adoption of international norms, standards and regulations, in some cases agreeing on use of higher standards than actually required under Georgian national legislation.

Single Support Framework for EU support to Georgia (2017-2020)	Mentioned under Lessons learnt from previous programming exercises: The regional and multi-country programmes mention the desirability and necessity of pursuing a joint programming approach with EU Member States and willing partners and ensuring synergy with bilateral and multilateral donors, IFIs and International Organisations.																	
<p>c-403777 Georgia Hazardous Waste</p> <p>C-404227 Water Supply and Sanitation in Rural and Semi-Urban Communities in Adjara</p> <p>C-413158 Khashuri Water Supply and Sanitation</p> <p>C-330133 Integrated Solid Water Management in Southern Caucasus²⁰</p>	<p>Investment in WATSAN infrastructure is highly capital intensive and such projects involve a 'blend' of loans and grants. The claimed leverage as set out in 'Descriptions of all Action' is summarised below:</p> <table border="1" data-bbox="501 320 1632 839"> <thead> <tr> <th>PROJECT</th> <th>LEVERAGE</th> <th>BASIS FOR CALCULATION</th> </tr> </thead> <tbody> <tr> <td>c-403777 Georgia Hazardous Waste (EBRD)</td> <td>1/45</td> <td>Total indicative cost €37.54 M EU contribution €8.3 M</td> </tr> <tr> <td>C-404227 Water Supply and Sanitation in Rural and Semi-Urban Communities in Adjara (EBRD)</td> <td>1/8.5</td> <td>Total cost of the Action €59.86 M²¹ EU contribution €7.36 M</td> </tr> <tr> <td>C-413158 Khashuri Water Supply and Sanitation (AFD)</td> <td>1/9</td> <td>EAMR report 2020</td> </tr> <tr> <td>C-330133 Integrated Solid Water Management in Southern Caucasus</td> <td>Original 1/11 After cancellation of Armenian and Azerbaijani investment: 1/8</td> <td>Original total indicative costs £66.2 M with EU (NIF) contribution €6 M Amended total cost (12/2020) £27.6 M with EU (NIF) contribution €3.6 M</td> </tr> </tbody> </table> <p>Other than financial leverage summarised above added value and impact of EU interventions is claimed without being further articulated and it is expected that communication activities will highlight such added value to relevant target audiences.</p>			PROJECT	LEVERAGE	BASIS FOR CALCULATION	c-403777 Georgia Hazardous Waste (EBRD)	1/45	Total indicative cost €37.54 M EU contribution €8.3 M	C-404227 Water Supply and Sanitation in Rural and Semi-Urban Communities in Adjara (EBRD)	1/8.5	Total cost of the Action €59.86 M ²¹ EU contribution €7.36 M	C-413158 Khashuri Water Supply and Sanitation (AFD)	1/9	EAMR report 2020	C-330133 Integrated Solid Water Management in Southern Caucasus	Original 1/11 After cancellation of Armenian and Azerbaijani investment: 1/8	Original total indicative costs £66.2 M with EU (NIF) contribution €6 M Amended total cost (12/2020) £27.6 M with EU (NIF) contribution €3.6 M
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<p>C-390659 Extension of Georgian Transmission Network</p> <p>C-403304 Enguri Hydro Power Plant Rehabilitation Project: Climate Resilience Upgrade</p> <p>C-412866 Programme for Energy Efficiency in Public</p>	<p>Investment in energy sector infrastructure is highly capital intensive and all such projects involve a 'blend' of loans and grants. The claimed leverage as set out in 'Descriptions of the Action' is summarised below:</p> <table border="1" data-bbox="501 1018 1632 1264"> <thead> <tr> <th>PROJECT</th> <th>LEVERAGE</th> <th>BASIS FOR CALCULATION</th> </tr> </thead> <tbody> <tr> <td>C-390659 Extension of Georgian Transmission Network (EBRD)</td> <td>1/22.5</td> <td>Total cost €225 M/EU contribution €10 M</td> </tr> <tr> <td>C-403304 Enguri Hydro Power Plant Rehabilitation Project: Climate Resilience Upgrade (EBRD)</td> <td>1/5</td> <td>Total cost €35.01 M/EU contribution €7.01 M</td> </tr> </tbody> </table>			PROJECT	LEVERAGE	BASIS FOR CALCULATION	C-390659 Extension of Georgian Transmission Network (EBRD)	1/22.5	Total cost €225 M/EU contribution €10 M	C-403304 Enguri Hydro Power Plant Rehabilitation Project: Climate Resilience Upgrade (EBRD)	1/5	Total cost €35.01 M/EU contribution €7.01 M						
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²⁰ Relevant intervention signed before the evaluation time scope but relevant: Integrated Solid Waste Management in the Southern Caucasus (Georgia, Azerbaijan, Armenia) (C-330133)

²¹ Interviews with project partners during the field phase revealed that significant cost over-run have been identified (although there have been significant delays – tendering only now going ahead) of the order of €35M to be covered by GoG contribution (there had not been any local contribution originally). Further cost increases may yet occur (eg uPVC pipe costs) due to COVID restrictions, collapse of supply chain and increased energy costs. Such increases will potentially increase claimed leverage and reduce estimated economic viability (although such economic analysis has not been made available to the evaluation).

Buildings in Georgia (KfW part)	C-412866 Programme for Energy Efficiency in Public Buildings in Georgia (KfW part)	1/5	Total cost €66.15 M/EU contribution € 12.65 M
C-412869 Programme for Energy Efficiency in Public Buildings in Georgia (EBRD part)	C-412869 Programme for Energy Efficiency in Public Buildings in Georgia (EBRD part)	1/5	Total cost €66.65 M/EU contribution €13.15 M
C-404204 Georgian Energy Sector Reform	C-404204 Georgian Energy Sector Reform	1/36	Total cost £308.05M/EU contribution €8.5M

Other than financial leverage summarised above claimed EU additionality is also considered as a form of leverage i.e. C-390659, C-403304, C-404204 – added value of EU intervention not explicitly identified. C-412866, C-412869 Additionality of the EU contributions is claimed for the following issues:

Financial Additionality²²

GoG's financing capacity is limited and right investments are urgently needed Without the EU Contribution, the investments in EE may face postponement, be rolled out lower speed and/or may opt for less ambitious energy savings, implementing technology and materials below international best practice. Interviews with financing partners during the field phase noted the particular value of capital grants in mitigation of perceived financial risks of (expensive) introduction of innovative or new technologies as well as providing the necessary component of financing that permits economic viability (subject to realisation of assumptions on cost recovery and service delivery of the infrastructure).

Social Additionality and Programme Scale

Comfort levels in schools can be improved and up to 150 000 people will benefit from improved health and safety standards in targeted buildings. Improved learning conditions in renovated buildings may result in higher attendance rate at school and enhanced quality of education. The EU Contribution allows for a more holistic approach towards building renovation and improving overall building conditions.

Additionality in Terms of Project Timing

This action will be in parallel with the ongoing revision of the EE regulatory framework. EU support incentivises the adoption of ambitious energy saving criteria in a large-scale national renovation programme and establish the public sector as a front runner and market developer for upcoming EE standards and building renovations. EE standards and EE mechanisms that will be introduced in the framework of the adaption of EU directives and the NIP supported GESR Programme will be directly applied in this Action.

Additionality in Terms of Project Quality and Standards

Through the EU NIP it is possible to incentivise the GoG to conduct EE upgrades and renovations in buildings according to upcoming EE standards which go beyond the current practices, also in terms of international environmental and social protection standards. This will also increase the capacity of participating private sector companies which will be available to be used in other construction projects. Thus, the EU investment grants and TA have an impact on further EE investments in Georgia²³.

Additionality in Terms of Innovation

Through the Action the GoG will be able to introduce and implement EE technologies, standards and practices which are new to Georgia. The grant incentivises the ambition for higher energy performance as the necessary EE regulation is still not fully implemented.

Additionality in Terms of Sustainability

²² Interestingly it was suggested during field phase interviews that whilst there is no doubt that financial leverage has value, it is not considered to be an issue for visibility as the issue is too complicated for communication activities which concentrate on expected impacts of EU financing rather than the technical elements of a financing package

²³ Interviews during the field phase with IFI partners noted the essential nature of TA support (institutional and implementation) as a manifestation of additionality resulting from grant components of blending projects

	<p>The Action with the EU support will create a valuable demonstration effect on a national and large-scale basis. The early adoption of improved EE standards in buildings will create awareness among the public and private sector, benefitting the continuous renovation efforts. The Action is designed to be a game changer by creating a market for advance EE materials and services, gaining experience in EE renovation of public buildings country via implementation of the respective EU Directives for EE and creation of visible best practices. Interviews during the field phase suggest that at least some of the delays in implementation of some EE-related project can be directly linked to limited awareness of potential benefits (at all levels – energy savings, development of local markets, social advantages) which has led to perceptions of immediate disadvantage (increased costs, need to abandon old, familiar practices) and even opposition to introduction of ‘new’ requirements as new legislation together with revised specifications and practices are perceived to imply higher costs and reduced profitability.</p> <p><u>Additionality in Terms of Environment</u></p> <p>The Action will directly contribute to GoG’s NDC’s by realising energy and CO2 emission savings. The implementation of comprehensive and ambitious EE measures will tap into the full energy saving potential of poorly performing buildings and extend their lifecycle substantially which additionally avoids construction of new buildings and corresponding CO2 emissions. This is particularly important as the building sector accounts for over 30% of energy use in the country.</p> <p>Interviews with GoG representation during the field phase revealed that the Georgian political aspirations to join EU bestow further perceived added value to EC support across all sectors. Also, interviews with EUD during the field phase on issues of leverage confirmed the variations in leverage between sectors, the degree of project/concept innovation or maturity and that the concept of leverage as a comparison metric is useful in promoting optimum use of limited EU funding.</p>																					
<p>ENI/2017/392-880 Biomass Energy and EE Technologies as a Sustainable Energy Solutions for Georgian CoM signatories (BioEn4CoM Sign)</p>	<p>At present, within BioEn4CoM Sign project one of the most important synergies should be considered the project “Covenant of Mayors East” supporting the Georgian 23 CoM signatories including Telavi municipality in capacity building related to the field of energy and climate policies in order to meet CoM commitments.</p>																					
<p>Transport</p>																						
<p>Delegation Agreement between EU and EIB in respect of the “Technical Assistance for Georgia Transport Connectivity–Phase 1” financed from the general budget of the European Union under the Neighbourhood Investment Platform ENI/2018/403-497</p>	<p>Road Transport</p> <p>Through the improved conditions of the E60-E70 East West Highway, Georgia is gradually achieving improvements in connectivity to global markets. As part of the Project, three Sub-Projects have been appraised by EIB (on E-60 and E- 70) financed by bank loan (with complementary EU grants) – construction works started in late 2018. Other projects financed by EIB and supported by EU grant funding under Georgia East West Highway I and Georgia East West Highway II projects have also been implemented along the East West Highway whilst EIB is financing additional Sub-Projects. The level of strategic East-West Road construction over the past decade is impressively high with European support including the following sections</p> <table border="1" data-bbox="510 1050 1630 1305"> <thead> <tr> <th>Project</th> <th>Implementation</th> <th>Financing</th> </tr> </thead> <tbody> <tr> <td>Samtradia – Grigoleti – Kobuleti</td> <td>05/2012-12/2020</td> <td>EU Grant €20 M EIB Loan €200 M</td> </tr> <tr> <td>Japama – Lanchkhuti</td> <td>-2020</td> <td>EIB €71.4 M</td> </tr> <tr> <td>Algeti – Sadakhlo</td> <td>-2023</td> <td>EIB €106.7 M</td> </tr> <tr> <td>Rustavi – Red Bridge</td> <td></td> <td></td> </tr> <tr> <td>Rikoti Pass</td> <td>-2024</td> <td></td> </tr> <tr> <td>5th E-W Highway Corridor imp. Project</td> <td></td> <td>WB USD 140</td> </tr> </tbody> </table> <p>A Delegation Agreement between EU and EIB covers TA for Georgia Transport Connectivity represents a third EIB intervention in the Georgia road sector.</p>	Project	Implementation	Financing	Samtradia – Grigoleti – Kobuleti	05/2012-12/2020	EU Grant €20 M EIB Loan €200 M	Japama – Lanchkhuti	-2020	EIB €71.4 M	Algeti – Sadakhlo	-2023	EIB €106.7 M	Rustavi – Red Bridge			Rikoti Pass	-2024		5 th E-W Highway Corridor imp. Project		WB USD 140
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European Neighbourhood Instrument (ENI) – 2017-2020 Single Support Framework for EU support to Georgia (2017-2020)	Transport and ICT infrastructure need to be further developed in the country. Huge and well-chosen investments are needed, proactive coordination and synergies with International Financial Institutions are essential. A number of lessons learned during the implementation of the ENPI 2007-2013 and the ENI 2014-2016 have informed the programming of this SSF including the desirability and necessity of pursuing a joint programming approach with EU Member States and willing partners and ensuring synergy with bilateral and multilateral donors, IFIs and International Organisations.
	Mobility
<i>Sources of information</i>	<i>Evidence</i>
Assessment by the team based on interviews.	It can be expected that there was some coordination between the national Erasmus+ office, DAAD (Germany), the British Council and the French Institute in Georgia. However, no documented evidence has emerged so far. Whether and to what extent synergies were achieved will have to be investigated during the field phase.

I-2.1.4 Degree to which the “Team Europe” approach, combining resources from the EU, EU MS, and European agencies and financial institutions, has been an effective; e.g., in response to [COVID-19](#).

“Team Europe” is a relatively recent initiative, and has been most prominent in the EU response to COVID, where it has played a major role in mobilising funds to support Georgia through the crisis (see also I-1.3.6). on the response to Covid. In addition to MFA, the EU has either reallocated or mobilised additional funding for health, socio-economic development, and protection of vulnerable populations. The EIB, also part of Team Europe, has supported lending to small and medium enterprises to help them to survive the crisis and emerge stronger for the recovery from it. Not to be forgotten, a major component of the Team Europe is entirely Brussels-based: EU coordination of MS contributions to COVAX, the international vaccines fund, from which Georgia benefits.

Evidence	
Overall assessment of quality and credibility of evidence	The importance attached to “Team Europe” as a tool to raise EU visibility has given rise to a large amount of documentary (including website” material. At the same time, more evidence is needed to assess the actual effectiveness of the new concept (an evaluation focusing on COVID 19 is ongoing). Therefore, the evidence for this indicator is assessed as Medium .
<i>Sources of information</i>	<i>Evidence</i>
EAMR 2020	It is also worthwhile to mention that the EU Delegation has promoted the Team Europe approach in its COVID-19 response, and has maintained a close and regular dialogue with EU Member States (MS) to ensure coordination and synergies. Finally, the year 2020 was marked by the launch of the new Multi-Annual Indicative Programming exercise for the period 2021-27. The EU Delegation, after consultations with the government, EU MS, International Financial Institutions (IFIs), civil society and business organisations has already produced a draft outline, including proposals for Team Europe Initiatives. [...] Swifter aid responsiveness to emerging priorities related to COVID-19 also translated at the implementation stage. The EU and Team Europe have mobilised around € 400 million of new and reallocated assistance to help Georgia deal with the COVID-19 pandemic, including Macro Financial Assistance. Almost 2/3 of this amount are grants, the remaining are loans at favourable interest rates.
Annual Implementation Report 2021	As part of the “Team Europe” approach, the EU has delivered a robust response to support Georgia’s efforts in tackling the COVID-19 pandemic and has reprogrammed EUR 183 million of grants to support Georgia. In addition, the EU allocated an exceptional Macro-Financial Assistance programme of EUR 150 million, already partially disbursed in 2020. Part of the 2019 bilateral allocation (EUR 127 million) and of the 2020 bilateral allocation (EUR 102.7 million) have been reprogrammed to better support the country’s COVID-19 response in three main areas: health sector, socio-economic recovery

	<p>and the most vulnerable population. The EU support focuses on the Georgian Government's Anti-crisis Economic Plan to address the challenges of the COVID-19 pandemic, accompanied by flanking measures in the areas of environment, health, socio-economic recovery and migration, as well as the promotion of human rights.</p> <p>[...]</p> <p>Additionally, Georgia benefits from the regional response package under the Team Europe initiative for support to the economy in the Eastern Partnership region. These funds are channelled through the Neighbourhood Investment Platform (NIP) and will provide access to finance in local currency to local SMEs to help them survive the crisis.</p>
<p>EIB, "Georgia: Team Europe - EIB provides €6 million to Terabank for faster COVID-19 recovery for micro, small and medium-sized enterprises"²⁴ (22 October 2021)</p>	<p>The European Investment Bank (EIB), the bank of the European Union, has provided a €6 million loan to Terabank Georgia to support its lending to micro, small and medium-sized enterprises (MSMEs) in the country.</p> <p>The loan is part of the EIB's SME Outreach Initiative, which promotes access to finance for micro, small and medium businesses in Georgia by helping smaller banks in the country to offer tailor-made services and financial products to their clients. Terabank is the third bank in Georgia to participate in this initiative.</p> <p>Covered by a guarantee from the European Union, the EIB financing aims to mitigate the negative impact of the COVID-19 pandemic on micro, small and medium enterprises and to contribute to an economic recovery that puts Georgia on a long-term sustainable growth track. Sustaining jobs, maintaining liquidity and continuing operations are key to Georgia's faster economic recovery from the COVID-19 pandemic. As part of Team Europe, the EIB works hand in hand with other EU projects implemented in Georgia under the EU4Business brand.</p>

JC2.2 Added benefits of EU cooperation support

Degree to which EU cooperation support added benefits to what would have resulted from actions taken by the EU MS on their own.

I-2.2.1 EU better able than MS to raise critical European issues in policy and political dialogue.

The EU has a unique comparative advantage over its MS in raising controversial issues in dialogue. For purposes of this indicator, we take LGBT+ rights as a specific example of broader discrimination and human rights issues. The EU is the largest donor and, from the Association Council down to sector-level, is GoG's principal European policy and political dialogue partner. The interaction between financial and non-financial cooperation gives rise to synergies, and Georgia's broadly-held aspiration for integration with Europe, expressed in the Association Agreement, is a powerful source of leverage. The EU is not subject to the pressures of national political lobbies. The result has been that the EU has been able to engage over the long term, and in the face of inertia on the Georgian side, including vociferous resistance by segments of society, in supporting controversial causes – most evidently LGBT issues, but also issues regarding ethnic minority rights, domestic violence, and other forms of discrimination. Through the Human Rights Dialogue, it has been able to keep these issues on the front burner, and particularly through its thematic programmes and support for civil society including the Public Defender's Office, it has been able to support targeted interventions.

Evidence

²⁴ <https://www.eib.org/en/press/all/2021-347-team-europe-eib-provides-eur6-million-to-terabank-for-faster-covid-19-recovery-for-georgian-micro-small-and-medium-sized-enterprises>

Overall assessment of quality and credibility of evidence	Evidence for this indicator is very largely subjective, and is therefore assessed as Medium .
<i>Sources of information</i>	<i>Evidence</i>
Annual Implementation progress report on 2015.	In relation to equal treatment, the Equality and Integration Strategy and its Action Plan (2015-2020) were adopted in August 2015. Activities aimed at integrating ethnic minorities have not yet translated into concrete progress. The full implementation of the Law on Elimination of all Forms of Discrimination has been hampered by the lack of effective sanctions and preventive measures. State institutions have on some occasions failed to act promptly and efficiently on human rights violations and discriminations against minorities, LGBTI community or religious minorities.
Annual Implementation progress report on 2017	In relation to equal treatment, Georgia's Equality and Integration Strategy and its annual Action Plans aimed at integrating ethnic minorities are being implemented. The Law on State Language provide for the use of non-state languages can be used in municipalities densely populated by national minorities; however, the current implementation is unknown due to the lack of a monitoring mechanism. The Public Defender's proposed amendments to the Law on Elimination of All Forms of Discrimination, aimed at enhancing the effectiveness of the enforcement mechanism under the Law, are pending since 2015. Incidents of discrimination against LGBTI (lesbian, gay, bisexual, transgender and intersex) persons in labour, health, social and economic areas have been reported. The Prosecutor's Office has introduced guidelines on investigating hate crimes in 2016. The widely reported case of allegedly unlawful abduction of an Azerbaijani citizen on Georgian territory and his irregular transfer to Azerbaijan is being investigated. There have not been significant developments related to issues of concern of religious minorities with regard, inter alia, to taxation, property issues, education or the mandate of the State Agency on Religious Affairs.
Contribution of the Georgian Civil Society Organisations to EU-Georgia Human Rights Dialogue 2021	Newly introduced mechanisms and legal amendments, while improving the legal framework, still proved ineffective in addressing practical deficiencies and improving the conditions of vulnerable groups. LGBT+ people are particularly vulnerable to stigma and violence. Representatives of this group are not free to exercise their right to assembly and expression and face serious cases of discrimination. 5 LGB T+ people face obstacles in terms of access to labour rights, access to health and social services, as well as the full enjoyment of the right to education. 6 In addition, it is alarming that due to the growing number and influence of homophobic and anti-gender groups.

I-2.2.2 EU visibility adequately taken into account in [strategy and implementation](#).

I-2.2.4 Degree of [public awareness](#) of EU cooperation support and its results.

Despite its being the largest donor in the country, EU visibility in Georgia has been a continuing challenge. In 2017, the EUD launched an effort to overcome problems cited as the low visibility of budget support and the tendency of implementing partners to concentrate on their own visibility, Also cited were unreasonably high expectations on the part of the Georgian public. Two new challenges have emerged in the years since. One, which has fortunately stimulated innovation, is the Covid crisis, which brought a virtual halt to face-to-face visibility events. The EUD has responded with remote strategies, low capacity of small grant projects to to effectively communicate, and the challenge to show results of EU actions in light of the high expectations of the Georgian public. The second, and in some ways more serious, is the increasing role played by EFIs. Too often, the EU grant component of blending projects loses visibility relative to the loan itself, with the result that the project is identified as an EIB project, an EBRD project etc. Work to address this issue is continuing, but it is a structural, not an ephemeral one. The "Team Europe" approach is in large part a visibility initiative designed to address these issues.

Evidence

Overall assessment of quality and credibility of evidence	The visibility issue is one that has been candidly discussed in length in EAMR reports, as a result of which, the evidence for these indicators is assessed as Strong .
<i>Sources of information</i>	<i>Evidence</i>
EAMR 2014	<p>The Delegation has been quite active in terms of communication and visibility. The overall communication strategy was implemented through the communication programme Let's Meet Europe, which built on the success of the previous year and added new features to the Delegation's communication. The Facebook profile has become an important communication tool that reached 3.000 followers in year. The Mobile Info Centre has been reaching almost 40% of the Georgian schools and all the universities. Target groups have been addressed through tailored initiatives especially youth, journalists and media. These target groups have been familiarising with the UE-Georgia cooperation and the upcoming Association Agreement and DCFTA. Georgian Institutions have supported the Delegation' initiatives with a strong presence of ministers, Parliament's Chairman, and ministries' patronage to EU funded initiatives. At project level, a good practice towards visibility has been consolidated. Any newly funded EU funded project coordinates with the communications managers within the operation section before the kick-off meeting in order to establish the communication plan. Almost all the EU funded projects have a communication plan. Budget Support programmes count on the establishment of specific communication units dealing with communication and visibility issues. A good example is provided by the ECU, being the ENPARD Communication Unit.</p>
EAMR 2016	<p>New PAGODA III applied at the end of 2016 proved again difficult to finally negotiate the agreements with EBRD, FAO, GIZ and UNDP. Visibility stays the major issue when delegating tasks to entrusted entities. On January and in December 2016 the EUD organized a large-scale coordination meeting between the entire UN family organizations represented in Georgia and EU Institutions acting in Georgia (EUD, EIB, EUMM, EUSR) aiming to enhance project implementation, policy dialogue and visibility. Similar events are planned with other IO and IFI's.</p> <p>[...]</p> <p>All projects managed by the Delegation are required to have a communication strategy approved together with the inception report, and the responsible project manager regularly follows up on its implementation. Simultaneously, as part of an on-going effort to provide clearer communication about its activities, the Delegation is setting up communication activities at the programme or sector level. To date the best example of this is the ENPARD Communication Unit, which successfully supports EU funded projects in the Agriculture and Rural Development sectors in terms of visibility and communications, pooling and linking their activities together. The Delegation and implementing partners have maintained a steady stream of project information on both our website and social media, most of which have been well reflected in Georgian media. For key events (signing of large financing agreements, launch of significant new projects) we organised dedicated events with high level EU (HoD or visiting officials) or Georgian officials (including the Prime Minister) to increase visibility. In terms of concrete initiatives, the Delegation organised a multi-day road trip to visit projects in Western Georgia for the HoD, accompanied by journalists and covered during a special segment on the main national TV station. Implementing partners organised 3 further journalist tours. In spite of these actions, challenges remain, addressed below. The main challenges facing the Delegation include the difficulty of showing budget support impact, implementing partners focusing on their own visibility to the detriment of the EU, low capacity especially among smaller grant projects to effectively communicate, and the challenge to show results of EU actions in light of the high expectations of the Georgian public. To address these issues, in 2017 the Delegation is starting a large-scale communication support project that will focus especially on presenting budget support activities in a understandable light, developing a campaign to highlight EU impact on the Georgian population, develop clearer visibility guidelines for projects and increase capacity building for them. HQ assistance is requested in working with the Delegation to provide as much detail as possible about regional projects in Georgia, as well as in providing continual support to implement the initiatives outlined above. Continued support from the Strategic Communication team will be well appreciated. Recent efforts by the Delegation to enhance visibility also for BS programmes have been met with constructiveness on the Georgian side (e.g. in Community Centres in connection with the Justice Budget Support).</p> <p>[...]</p> <p>EU visibility has been the issue for the years due to the facts that the implementer, IO or IFI is on the ground closer to the Beneficiary and deliberately or not paying too much attention to stress the EU visibility compared with its own. New visibility guidelines were developed by the Delegation, introducing stricter rules for IO and IFI's for EU visibility in Georgia. Strong engagement to enforce those new guidelines has been displayed from the entire EU Delegation management (HoD, HoC, Head of PPI, Head of CAF). First experience is on the whole positive in particular with the UN agencies and the EIB as well as to some extent with EBRD. Further efforts are needed in general, more specifically on the side of CoE.</p>

EAMR 2020	<p>EU projects have followed EU visibility guidelines, implementing them effectively. COVID-19 and associated lockdowns forced a change in visibility and communication, with a move away from events towards media and online promotion and presence. EU representatives were consistently present (primarily in virtual mode) at key events and success stories were shared widely in and with media. The Delegation undertook 7 large scale social and mainstream media campaigns on agriculture, rural development, maritime, EU day, environment and human rights and COVID-19 support to Georgia. These campaigns, in addition to statements by the Head of Delegation (not including political ones), featured over 350 times on main TV and online channels, collecting an estimated 30 million individual views. The Delegation Facebook page retains one of the largest following of any similar organisation active in the country, with an estimated 14 million total views (annual reach) of the 600 posts published in 2020. In addition, the Delegation constantly updates its Delegation and communication project website and maintains 2 active and well-followed Twitter accounts with over 1.5 million impressions combined. Delivering quality results and speed in COVID-19 times could be seen in enhanced visibility of aid results, including in regions (social support grants for People with Disabilities, victims of domestic violence, as well as support to businesses for recovery or production of Personal Protective Equipment, more at https://eu4georgia.ge/together-against-covid-19/), as well as the timely disbursement of Budget Support payments.</p> <p>[...]</p> <p>Working with the entities mentioned below has allowed the Commission to tap from specific thematic or sector expertise, management capacity, a specific stance or mandate on security or conflict related matters, as well as from these entities' track record in the country.</p> <p>In the case of blending with IFIs, this has furthermore allowed to unlock financing thanks to the ENI grant component. Issues that have demanded attention include the delegated entities' commitments and monitoring on communication and visibility, as well as commitment to and reporting on cost-effectiveness or reporting on results including through OPSYS (despite the technical bottlenecks presented by OPSYS).</p> <p>Regarding visibility of EU funding, progress has been made in particular with UN agencies and national donor agencies, as well as with KfW. Given that the framework agreement with IFIs is not fully conducive to promoting EU visibility the best way possible, further effort is required towards EIB, EBRD, IBRD, to jointly promote visibility. The Delegation has mitigated those drawbacks by calling for proposals from multiple potential delegated entities at programming stage (under EU4 Human Rights AAP 2019, but also ENPARD IV, EU4ITD and the telemedicine component of the Resilience Facility), laying down in each financing decision a fallback contracting option, and by managing contracting and monitoring even more assertively.</p>
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I-2.2.3 EU perceived by Georgia as a long-term partner able to provide substantial resources on a predictable basis.

Without specific evidence in the form of interviews with GoG and civil society representatives, it is nonetheless safe to answer this question in the affirmative. The EU was present at the creation of democratic Georgia, and it was present at its point of greatest crisis in 2012. In some of the major sectors covered here. – PAR, PFM, agriculture and rural development, RoL, HR, and democracy – the EU has been the principal cooperation partner for well over a decade. The budget support modality has provided substantial resources with a minimum of transaction costs. The succession of ENPARD and justice sector reform budget support programmes is evidence of the long-term nature of the EU's engagement. The Association Agreement and the accompanying Agenda spell out a long-term vision for reform with sequenced steps. DCFTA provides a vision for trade integration and visa liberalisation has been a long-term, forward-looking project. As new GoG priorities emerged, such as SMEs, VET, and connectivity (essentially, upgrading an ageing infrastructure stock in line with the Green Deal, the EU has been willing and able to take them on. The EU has consistently supported civil society, with long-term relationships with leading institutions such as Georgia Young Lawyers Association and the Public Defender's Office increasingly being complemented by partnerships developed with smaller, more regionalised CSOs. In the area of RoL, HR, and democracy, the EU has been a consistent supporter of the Council of Europe's work with Georgia. While such project support is arguably more costly, in terms of uncertainty regarding the next project cycle, the availability of grant funds, etc., the EU has been a sufficiently consistent presence to score high on predictability – higher than MS partners.

Evidence


Overall assessment of quality and credibility of evidence	Despite the lack of specific evidence in the form of interviews with GoG and civil society representatives yet, the evidence for this indicator is assessed as Strong on the basis criteria such as the AA, the long-term and substantial contribution of the EU to cooperation with Georgia, etc.
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I-2.2.5 Evidence that similar (or stronger) effects could have not been achieved in the absence of EU support.

A specific area in which the EU's unique role has been one that no MS could fulfil has been visa liberalisation. Bilateral visa liberalisation negotiations with over a dozen European countries would have been daunting and likely leave Georgian citizens facing a patchwork of regulations. The EU's decisive role in guiding the response to the governance crisis at the end of 2012 would have been impossible for any individual MS to assume. The EU possess the unique carrot of Association, broadly supported by the Georgian public outside nationalist circles, that no MS acting alone, would be able to dangle. While EU relations with the other major bilateral donor in Georgia, USAID, are cordial to a fault and values are largely shared, there is a natural nuance in orientations; in addition to which, while the U.S remains associated with the pre-2021 government regime, the EU is associated with the breakaway from it.

<i>Evidence</i>	
Overall assessment of quality and credibility of evidence	Despite the lack of specific documentary evidence, the evidence for this indicator is assessed as Strong on the basis criteria such as the AA, the long-term and substantial contribution of the EU to cooperation with Georgia, etc.

EQ3 - Instruments, modalities, and funding channels

To what extent have the various instruments, modalities and funding channels, and their combinations, been appropriate to achieve the objectives of EU cooperation with Georgia?		
Description/ Rationale	<p><i>This EQ assesses the appropriateness of the instruments and modalities applied in the cooperation for the achievement of development objectives. Instruments refers to sources of finance, modalities principally to budget support and projects, and channels include Government itself, international organisations, EU MS agencies, national and international NGOs, and private sector consultancy firms. The assessment also includes political and policy dialogue. JC 3.1 examines the responsiveness of the instruments and aid modalities (sector reform performance contracts, technical assistance and service contracts, grants, delegated agreements with EU Member States and IFIs, TAIEX, Twinning, blending and financial instruments, CBC grants) to the national context. JC 3.2 focusses on the extent to which modalities and funding channels were flexible enough and ensured timely delivery of EU support. JC 3.3 looks at the robustness of the existing monitoring, evaluation and learning mechanisms. This EQ mainly covers relevance and coherence (major dimensions of JC31 and JC33) as well as efficiency (a major dimension of JC22), while also addressing issues of effectiveness and EU added value.</i></p>	

JC3.1 Instruments, modalities, and funding channels facilitated attainment of intended objectives

The instruments, modalities, and funding channels used and their combination with EU engagement in policy and political dialogue facilitated the attainment of the intended objectives while promoting national ownership.

I-3.1.1 Clarity of the rationale (incl. identification of comparative advantages) behind design choices regarding instruments, modalities, and funding channels.

EU financial support to Georgia consisted very largely of ENI Budget Support with a high share of complementary measures (TA, capacity building, Twinning, etc.). In its 2019 strategic paper on Budget Support, the EU systematically and thoroughly analysed the strengths and weakness of the approach in Georgia – the double-edged sword of its dependence on national policies, the possibility of crowding out GoG spending, the importance of performance indicators for leverage but danger that they may represent EU interests more than GoG ones, the fact that some results may not be fully under GoG control, and the limitations on ministry ownership because funds do not come directly to them. EAMRs note a high degree of GoG commitment to reform and openness to policy dialogue, but there has been at least one significant breach of the first, namely the unwillingness to undertake serious reform of the judiciary, discussed under EQ 5. To blame this specific problem entirely this in GoG would be to oversimplify the complex causes of this reluctance, which reflects judicial culture, vestiges of Soviet political philosophy, which deeply distrusts the separation of judicial from executive power, and the tendency towards clan-based politics in Georgia. Budget support in PAR and PFM was appropriate given commitment to reform, the presence of broadly accepted international assessments (OECD/SIGMA and PEFA), the central role of complementary measures, and the fact that both areas have multiplier effects across all areas of support. Without adequate PAR and PFM, the EU's cooperation with Georgia would need to undergo drastic qualitative and quantitative downgrading. There was also considerable inertia in budget support.. By the present evaluation period, budget support generally agreed to be successful was already long-established in PAR, PFM, agriculture and rural / regional development, and justice sector reform. In support for DCFTA and SMEs, the decision for the provision of budget support was clearly and transparently linked to the eligibility tests: The EU established that a credible public policy existed, a sound macroeconomic policy was in place, a satisfactory trend in PFM was noted and basic requirements on budget transparency and oversight were in place. A VET strategy 2013-2020 was developed by GoG with EU support and judged credible.

Funding channels for budget support have been adequately assessed, as exemplified by evidence from justice sector budget support (GIZ, UNDP, UNICEF) and Mobility (ICMPD) . The balance between implementing partner expertise, privileged long-term relations with GoG, field presence, etc. and EU visibility as discussed

elsewhere. No evidence is relevant to the selection of private-sector actors, although in one area (child-friendly justice), implementation by a private European firm resulted in the recruitment of excellent European expertise.

Infrastructure investment, while responding to broader development goals (which may be explored using grant finance, or supported by add-on projects) is, in the end, driven by engineering assessments and the project finance perspective. Budget support would be a clearly inappropriate modality to support infrastructure investment, and the use of blending to finance infrastructure investment (mostly falling under Connectivity) is a more recent development. Blending is the subject of an ongoing evaluation, and no assessment in the Georgian case is possible at this stage.

<i>Evidence</i>	
Overall assessment of quality and credibility of evidence	Overall, documentary evidence that the EU considered proper matching of instruments, modalities, and channels to results is Strong . An exception is the case of blending, where evidence does not inform on the precise rationale.
General	
<i>Sources of information</i>	<i>Evidence</i>
2019 Strategic paper on Budget Support	<p>Georgia is often depicted as a reformer that has yet to emerge into a performer. In order to ensure that the Association Agenda and the country's impressive reform drive bring tangible benefits for the society and the economy, EU-Georgia cooperation programmes need to address complex bottlenecks. For instance, business development is dragged by the combined lack of skills, infrastructure, uneven access to finance and issues with the legal system, which are not all captured by the universally accepted international indicators. The response, therefore, has to be increasingly sophisticated programmes, combining the efforts of multiple ministries or institutions and a variety of policy measures. This implies that:</p> <ul style="list-style-type: none"> • Budget support programmes benefit from additional complementary aid delivery modalities to support the reform effort - indirect management with international organisations or member state donor agencies, technical assistance, grants, and Twinning. The downside of this approach is the risk of substitution of the implementation to be done by the state structures. • Budget support –as it relies on national policies- is vulnerable to possible weaknesses in sector policy making and implementation (see section 6). These weaknesses result in a number of challenges for SPRCs design and implementation. Because of these weaknesses, it is often not possible to achieve full congruence between indicators, as set in the sectorial strategies, and performance indicators of the budget support. • At programme design level, the right mix of ambitious result indicators, and what is seen as 'process' indicators needs to be achieved. Process indicators such as the adoption of pivotal laws or the setting up of key systems, bear a direct impact on policies, provide for a clearer roadmap for programme stakeholders, help these secure national resources, and leverage the EU voice in the policy dialogue. In the Georgian context, process indicators actually pave the way for achieving results. Result indicators, measuring impact at the level of final beneficiaries, set the right incentives for delivery; but their achievement is in many of the programmes not under the full control of the government and dependent on a number of internal and external factors. • The level of ambition needs to be matched with the capacity to deliver results, in order to avoid over-stretching Georgian institutions and to motivate change through realisable targets. • With increasingly ambitious reforms, difficulties are experienced setting regarding the setting of meaningful impact targets, given that they have to be achieved within an implementation period of four years or less; whereas in sectors such as education or justice the impact is usually measurable only after a decade. <p>At implementation level, some sector still face challenges with policy monitoring and reporting. The performance measurement of indicators is sometimes driven to a significant extent by the EU, rather than by government. Not all indicators can be derived directly from sectoral strategies and the government needs to improve its way of properly assessing them. Government reports are sometimes not sufficiently evidence based, substantiated by clear statistical and analytical outputs, with reference to individual conditions and indicators and often lack result orientation. In addition, the Government could take a more proactive position in flagging problems with indicator achievements.</p>

	<p>At implementation level, the quality of external expertise conducting independent reviews of performance indicators and evaluations has not always been fully satisfactory in terms of quality of analysis, formulations and timing. It would be useful to review procurement practices in order to raise quality and help Delegations to access relevant knowledge.</p> <p>Progress has been achieved in conveying to the authorities, that budget support is neither a "counting calories" nor "ticking the box" exercise triggering disbursement, but that the focus needs to shift from a narrow interpretation of indicators to measuring and discussing main results of the policy. However, further efforts are needed to tighten coordination between HQ and Delegations in defining what this means in concrete cases, in order to remain consistent, credible and predictable in our assessment.</p> <p>In Georgia, all budget support programmes are untargeted meaning the funds are not traceable beyond transfer to Treasury. Sector ministries have complained about the fact that they do not profit to the extent needed from the disbursements and that funds are fungible in the overall budget. A closer alignment between costing of reforms and EU contributions is desirable, but remains a challenge given the quality of policy documents as discussed in section 6.</p>
EAMR 2016	<p>As to the breakdown of the aid portfolio by aid modality, it shows a pre-eminence of budget support associated with relatively high complementary measures. Performance so far, including success stories (ENPARD, Justice etc) has shown that in the specific case of Georgia, strong commitment and openness to EU policy dialogue and significant reform ownership have made this instrument an effective tool to yield sustainable reform results. The reinforced monitoring and dialogue in the context of the IMF programme issue shows that conditionality is also effective at the level of the general macroeconomic condition, as the cumulative volume of potential disbursement make it highly significant for government finances. Recent efforts by the Delegation to enhance visibility also for BS programmes have been met with constructiveness on the Georgian side (e.g. in Community Centres in connection with the Justice BS) which would allow to offset what is usually considered a drawback of the tool. BS accounted to 60 % of the two eligible programmes under the AAP 2015, being ENPARD II and PAR. In 2016 the Budget Support prevails further having 77,5 million for ENPARD III Budget Support programme (although with important technical assistance component) and 32 million for Project support via Technical Assistance facility. [...]</p>
EAMR 2016	<p>The EUD to Georgia in cooperation with the Programme Administration Office has been actively involved in preparation and quality check of the TAIEX applications. At the bi-lateral meetings with the potential beneficiaries the EUD project managers were providing exhaustive information about this instrument and its possible usage thus raising awareness on this end. Besides, the EU funded TA on Association Agreement Facility organised the working meetings/presentation of the instrument to the public institutions of Georgia and was engaged in guiding the Georgian beneficiaries in its proper application. Besides information meeting on Twinning instrument was organised for the EU MS Embassies representatives in Georgia. Next meeting on TAIEX and Twinning instruments is planned for the 1st quarter 2017. The draft applications, prior to the official submission for assessment, had been sent to the EU Delegation for possible comments and suggestions. As a result of that process generally the highly quality of applications officially submitted by the Georgian beneficiaries could be observed. Given the popularity of the instrument among end beneficiaries and among EUMS, it will be important to continue to systematically require explicit opinions from both the EU Delegation and from the Georgian Focal Point prior to deployment of a TAIEX mission.</p>
PAR	
<i>Sources of information</i>	<i>Evidence</i>
<p>PAR, SRC, Public Administration Reform in Georgia (PAR) CRIS number: ENI/2015/037-832 FA, Annex 1</p> <p>2019 Strategic paper on Budget Support</p>	<p>There was a clear rationale for selecting the Budget Support modality for delivering support to PAR. A substantial proportion of EU assistance to Georgia during the period, 2014-20, was provided through budget support programmes and there was GoG experience in working with an aid modality focused on performance-based assessments, of both General Conditions (linked to PFM) and to specific conditions (with indicators and targets to assess compliance progress). It was an appropriate time for another Budget Support Programme when there was also a positive and stable macroeconomic environment (supported by an IMF programme), together with the success of the Public Financial Management (PFM) Reform Programme.</p> <p>Important PFM Reforms were implemented in Georgia, especially in budgeting, through the introduction of strategic budgeting (policy-based budgeting), medium term budgeting and programme budgeting – as well as improved budget oversight and transparency – which provided the appropriate conditions, i.e. sound foundations, for a new Budget Support programme. The first such EU Budget Support programme, the Sector Budget Support Programme (SBSP), had commenced in 2007.</p>

	<p>The amount allocated for the budget support component was EUR 20 million, based on closely aligning the financial needs of Georgia to implement the PAR reforms: the figures of the Basic Data Document (BDD) reflecting the allocation and variation on PAR-related chapters (e.g. Civil Service Bureau budget for 2015 is doubled); indicatively, the Government indicated an increase of 20% of the costs related to PAR reforms over the previous two years.</p> <p>The programme also required the commitment of the Government to allocate national budget resources in accordance with the PAR priorities and to follow standard national budget procedures, following the track record and absorption capacity in other EU budget support operations. The budget support was proposed for areas where a sound level of policy framework, coordination and ownership of the reforms had been shown. The amount defined for budget support was expected to have an effective impact on the fulfilment of conditionalities and providing substantial leverage for the policy dialogue. There was sector policy (Roadmap 2020) which could be aligned to one of the General Conditions.</p> <p>The advantage of the modality was that it comprised a budget support element together with a complementary assistance component, which acted to expand and reinforce areas covered under the BS conditions. The latter provided TA for capacity building to support GoG institutions and individual to develop the necessary knowledge, skills and expertise that were required to implement the reforms.</p>
PFM	
<i>Sources of information</i>	<i>Evidence</i>
PFRP, FA, Annex 1: TAPs	<p>There was a clear rationale for selecting the Budget Support modality for delivering support to PFM. A substantial proportion of EU assistance to Georgia during the period, 2014-20, was provided through budget support programmes and there was GoG experience in working with an aid modality focused on performance-based assessments, of both General Conditions (linked to PFM) and to specific conditions (with indicators and targets to assess compliance progress). It was an appropriate time for another Budget Support Programme when there was also a positive and stable macro-economic environment (supported by an IMF programme), together with the success of the Public Financial Management (PFM) Reform Programme. Important PFM Reforms were implemented in Georgia, especially in budgeting, through the introduction of strategic budgeting (policy-based budgeting), medium term budgeting and programme budgeting – as well as improved budget oversight and transparency – which provided the appropriate conditions, i.e. sound foundations, for a new Budget Support programme. The first such EU Budget Support programme, the Sector Budget Support Programme (SBSP), had commenced in 2007.</p> <p>The advantage of the modality was that it comprised a budget support element together with a complementary assistance component, which acted to expand and reinforce areas covered under the BS conditions. The latter provided TA for capacity building to support GoG institutions and individual to develop the necessary knowledge, skills and expertise that were required to implement the reforms.</p>
Agriculture & rural development	
<i>Sources of information</i>	<i>Evidence</i>
ENPARD, II, FA, Annex 1: TAPs	<p>The majority of EU assistance to agriculture during the period, 2014-20, was provided through budget support programmes. In fact, out of the 15 BSPs that were in operation during the period of this evaluation, with a total financial contribution of €703.07 million, one third of this was devoted to the agriculture sector, through the four ENPARD programmes, the final one (IV) which will continue to run until 2025. Each of the four ENPARD phases comprises two components, Budget Support and Complementary Assistance. This provides for a complementary blend of different funding modalities, including TA, grants to international organisations, grants through competitive bidding to public and civil society organisations and to NGOs, Twinning etc.</p>
Final Evaluation of ENPARD 1: Final Report, December 2017	
ENPARD, II, FA, Annex 1: TAPs	<p>It was logical to proceed with a subsequent phase of budget support (ENPARD II) following the success of the ENPARD 1 programme, with a 100% disbursement of budget support funds delivered on time in accordance with the FA disbursement schedule and successful implementation of the various Complementary Assistance measures, including TA (for capacity building), grants to international organisations, grants through competitive bidding to public and civil society organisations and to NGOs, Twinning etc).</p>
Review Missions for First, Second and Third Instalments	

ENPARD, III, FA, Annex 1: TAPs Review Missions for First, Second and Third Instalments	It was logical to proceed with a subsequent phase of budget support (ENPARD III) following the success of the previous two phases (with overall programme disbursement rates of 100% and 92% respectively, and successful implementation of the various Complementary Assistance measures, including TA (for capacity building), grants to international organisations, grants through competitive bidding to public and civil society organisations and to NGOs, Twinning).
ENPARD, IV, FA, Annex 1: TAPs	It was logical to proceed with a subsequent phase of budget support (ENPARD IV) following the success of the previous three phases, where both I and III had a disbursement rate of 100% and II a rate of 92%, and the GoG continued to request support to the sector.
Justice, Rule of Law, democratic governance, and human rights	
<i>Sources of information</i>	<i>Evidence</i>
IO assessment, UNDP	<p>Promotion of access to justice and human rights is in the heart of UNDP's core mandate. Its new Strategic Plan (2014-2017) sets special objective to strengthen institutions to progressively deliver universal access to basic services, including access to justice. It is noteworthy that the proposed initiative deals with different State and private institutions - LAS, NBoE, GBA, private bailiffs, judiciary, HCJ, as well as high education institutions. This makes the action very complex and challenging. UNDP has close cooperation with all the aforementioned agencies, even more so UNDP has a sound experience in dealing with complex and wide-range programmes equally covering each direction for the benefit of sustainable development of relevant beneficiaries. In addition, UNDP approach to access to justice inevitable implies strengthening of legal education, free and independent legal aid, competent and responsible Bar, efficient and cost and time effective enforcement of judicial institutions, and decrease of courts' caseload through application of ADRs.</p> <p>UNDP has supported access to justice and human rights in Georgia for over a decade. Throughout this period, UNDP Georgia has built a solid reputation, excellent partnerships and invaluable experience to promote reforms in the difficult context, facilitate progress and support people to access justice. As such, UNDP is often regarded as a preferred implementing partner to the donor supported initiatives by the national counterparts.</p> <p>UNDP has privileged access to the senior decision-makers in Georgia, and can advocate consistently for resolution of complex issues. Furthermore, joining forces between EU and UNDP can amplify the progress in promoting complex reforms. UNDP has also made an effective use of its convening power to ensure coordination of major international organizations around emerging issues (i.e. by leading Ambassadorial Working Group meetings) and will continue using this forum for coordinating key principles of international assistance, as well as for creating a joint international opinion for the collective advocacy.</p> <p>Finally, UNDP has access to the best national and international expertise through its local and global operations. UNDP operational procedures are also rather efficient and compliant with best international standards.</p> <p>It is also noteworthy that that the programmes and activities of UNDP are mostly implemented in close cooperation with different UN Agencies, including UNICEF, OHCHR, UN Women, etc. The collaboration of UNICEF and UNDP has been intensified through years of joint implementation of various projects, namely:</p> <ul style="list-style-type: none"> • National ownership and leadership in implementation of UNDP-supported initiatives is one of the fundamentals of UNDP approach, in line with the best principles of aid effectiveness. Although the programme will be managed directly by UNDP, the programme will be designed and implemented by the leadership of the national counterparts. The programme is designed in a way as it will partner with several justice sector institutions in Georgia, primarily with the Ministry of Justice, and its subsidiary agency – National Bureau of Enforcement, Legal Aid Service, Bar, private bailiffs, judges (on promoting alternative dispute resolution mechanisms) and academia. All programme partners will be effectively engaged from the very beginning into the programme detailed planning, implementation and monitoring such that ensures a genuine national ownership of the programme. The senior representatives of the respective government agencies will be represented in the Steering Committee of the programme alongside with the EU and UNDP and thus will assume full responsibility for planning, monitoring and making strategic decisions about the programme implementation. The programme will also be in a day-to day contact with the working level government counterparts to carry out all programmatic activities jointly.

IO assessment, UNICEF	<p>UNICEF is mandated by the United Nations General Assembly to advocate for the protection of children's rights, to help meet their basic needs and to expand their opportunities to reach their full potential. UNICEF is guided by the UN Convention on the Rights of the Child and strives to establish children's rights as enduring ethical principles and international standards of behaviour towards children. UNICEF mobilizes political will and material resources to help countries, particularly developing countries, ensure a "first call for children" and to build their capacity to form appropriate policies and deliver services for children and their families. UNICEF promotes the equal rights of women and girls and supports their full participation in the political, social and economic development of their communities. UNICEF works with all its partners towards the attainment of the sustainable human development goals adopted by the world community and the realization of the vision of peace and social progress enshrined in the Charter of the United Nations.</p> <p>UNICEF - Government of Georgia Country Programme of Cooperation sets policy, legislative and practice standards and assists the Government and civil society organisations in implementation of sector reform processes. UNICEF ensures that all reforms initiated and implemented by the Government are in line with child's rights international and European standards. UNICEF attracts international knowledge, expertise and know-how to ensure quality of proposed and implemented system changes.</p> <p>UNICEF has already supported complex juvenile justice related reform processes in Georgia and has been closely collaborating with the Ministry of Justice and Ministry of Corrections in this regard. Through past and on-going programmes of cooperation the Government of Georgia (GoG) has been gladly cooperating with UNICEF and furthermore GoG has acknowledged and highly commended UNICEF Georgia Country Office as a reputable partner with the rich global experience and expertise in many areas that relate to child and youth wellbeing including the children and justice area. UNICEF has been regarded as an international champion for children that is highly influential in planning, policy and legislation development and revision as well as establishment and application of international standards and practices. UNICEF has been having a broad range of partnerships and regularly acts as a convenor and facilitator of complex inter-agency processes. In this regard UNICEF has been having regular access to the senior decision and policy makers in Georgia.</p> <ul style="list-style-type: none"> National ownership and leadership in implementation of UNICEF-supported initiatives in line with the best principles of aid effectiveness has been one of basic UNICEF's approach in supporting national partners to improve the situation of children and young people. UNICEF will facilitate working processes on a policy /legislation revision level and on a capacity building/service provision level to ensure that legislation, internal procedures and guidelines as well as training materials are developed in cooperation with local technical experts and knowledge transfer mechanisms are built into existing training institutions' curricula after the programme completion. In this process UNICEF will act as a convenor and will facilitate working processes among justice sector Ministries and stakeholders and will facilitate the processes at the following two levels: (1) policy /legislation revision level to ensure ownership and sustainability of interventions, and (2) system/institutional level to support the establishment of the systems with appropriate human and institutional capacity and to ensure that child friendly approach is applied in practice throughout the whole system.
FA with TAPS	<p>Complementary assistance will include support to strengthen the Government's capacity to implement its justice sector reform policy, to monitor and report on performance and ensure coordination, inclusive policy making and transparency. Complementary support details will be defined In consultation with relevant national authorities following signature of the Financing Agreement.</p> <p>Financing Agreement ENI/2014/037-376 - Technical and Administrative Provisions Key elements are expected to include:</p> <ul style="list-style-type: none"> Two calls for proposals to provide grants to Civil Society Organisations (CSOs) and other non-state or public actors to promote; (1) the engagement of CSOs in the justice sector reforms by supporting the development of their capacity for advocacy, networking, policy making and monitoring of reforms; and (2) the provision of services, particularly to the most vulnerable, to broaden access to legal advice and to rehabilitation and re-socialisation programmes, as well as to design and implement crime prevention programmes. Technical assistance to support achievement of programme objectives with respect to (1) an Independent and Accountable Judiciary; and (2) Capacity building for effective and fair criminal policy development, investigation and prosecution; and (3) Capacity building of the penitentiary and probation System (Ministry of Corrections-MOC).

	<ul style="list-style-type: none"> Grant through direct award to UNICEF to (1) promote an effective system of justice for children by dedicated regulatory framework and implementation mechanisms; (2) to strengthen access to justice by (a) improving the independence and effectiveness of the legal profession and legal aid system; (b) promoting application of Alternative Dispute Resolution mechanisms; Measures related to access to justice will be implemented by UNDP as co-beneficiary of the grant. Grant through direct award to GIZ to improve (1) the private and administrative law system through greater compliance of legislative initiatives in line with international and European standards; (2) capacities for European and international judicial cooperation; (3) protection of property rights as a result of a more transparent and predictable system for the registration of titles; (4) the legal framework for bankruptcy proceedings; and (5) the Government's capacity for evidence-based policy development, strategic planning, research and analysis; and (6) the system of enforcement of court judgments in civil and administrative matters. The project-approach interventions will include contracts for audit, monitoring and evaluation, and visibility.
Economic development and market opportunities (DCFTA, SMEs, VET)	
<i>Sources of information</i>	<i>Evidence</i>
Action Document for Support to EU-Georgia DCFTA and SMEs	The decision for the provision of budget support was clearly and transparently linked to the eligibility tests: Georgia met the four eligibility criteria of public policy, macroeconomic stability, public financial management (PFM) eligibility and transparency and oversight. The EU established that a credible public policy existed, a sound macroeconomic policy was in place, a satisfactory trend in PFM was noted and basic requirements on budget transparency and oversight were in place.
Employment And Vocational Education Policy Assessment (no year)	<p>A Labour Market Strategy and an associated Action Plan (2013-2014) were adopted in August 2013, which target five key measures: establishment/improvement of the legal base; formation/development of the labour market infrastructure in order to enhance the range and quality of services available to job-seekers; improved labour market information, through the institutionalization of labour market analysis and the establishment/development of a labour market database; greater synergy between the needs of the labour market and the provisions of the Vocational Education and Training (VET) and continuing education systems; and supporting legal, temporary migration. The present Strategy was conceived as an interim document in order to tackle unemployment and assume a more proactive role in the labour market.</p> <p>A draft Strategy for the development of VET (2013-2020) was prepared with EU support and accompanied by a detailed Action Plan (2013-2017). Both documents were circulated for inter-Ministerial consultation. The detailed planning of the VET Action Plan for 2018-2020 was planned to follow a mid-term evaluation to be held in 2017. The overall objectives of the strategy were to promote greater synergy between the VET system and labour market needs, to ensure full employability of VET graduates in meaningful and, where appropriate, well remunerated and personally rewarding occupations, and to create opportunities for individuals from all segments of society to develop their talents and maximize their potential for personal and economic fulfilment. These objectives were met by measures designed to: develop high-quality VET programmes reflective of current and future labour market needs; prepare cadres of VET educators possessing modern pedagogic skills; establish a system of nationally and internationally recognized awards and qualifications; create a flexible network of well-funded, well-equipped and well-managed public and private VET providers; raise the profile of vocational education and training as an attractive and rewarding pathway for personal and professional development; and to engage the social partners and civil society in the development of VET policy and in decision-making.</p> <p>The assessment confirmed that there were in place credible and relevant sector development strategies, whose mutual goal was to eradicate poverty and stimulate sustainable and inclusive socio-economic development through the introduction of measures designed to support employment creation; noted that the policies were highly relevant to the socio-economic challenges facing Georgia and in particular to the need to reduce poverty and enhance employment opportunities; stated that the introduction of initiatives, which ensure synergy between the vocational education and training system and the needs of the labour market, and which target the creation of sustainable, high value-added and well-paid employment opportunities, and the provision of high-quality labour market services to the unemployed, will have an appreciable impact upon the poverty indicators and the unemployment rate: concluded that the Delegation regraded the policies as sufficiently relevant and credible, and consistent with the objectives of the Budget Support Programme. Therefore, the policies could be supported by the Commission through the proposed Budget Support Programme.</p>
Connectivity	
<i>Sources of information</i>	<i>Evidence</i>

<i>Environment & CC</i>	
European Neighbourhood Policy (ENP)	The European Neighbourhood Policy (ENP) governs the EU's relations with Georgia. The ENP was developed in 2004 with the objective of avoiding the emergence of new dividing lines between the enlarged EU and its neighbours and instead strengthening the prosperity, stability and security of all. The ENP was reviewed in 2011 and further in 2015. The review of the ENP in 2015 ²⁵ seeks to deploy the available instruments and resources in a more coherent and flexible manner.
EU-Georgia Association Agreement	<p>Bilateral relations between the EU and Georgia are based on the EU-Georgia Association Agreement²⁶ including a Deep and Comprehensive Free Trade Area (DCFTA) since 2016. The Agreement, if successfully implemented will help pivot the countries' economic, political and development trajectories towards prosperity and stability. The key instrument in achieving these goals is legal approximation: the partner country have taken on extensive, binding commitments to align their laws and institutions with the <i>acquis</i> in order to stimulate political and economic development and institutional modernisation²⁷.</p> <p>The Revised Agenda on the EU-Georgia Association Agenda (2017-2020) presents environment and climate change objectives under the priority on connectivity, energy efficiency, climate action and civil protection. In the field of environment the Parties will cooperate with the aim to fulfil short-term priorities e.g. adoption of the 3rd National Environmental Action Programme of Georgia (2017-2021) and medium term e.g. implementing the National waste management strategy and measures foreseen in the 2016-2020 action plan. The short and medium-term priorities are also presented for climate change. For example, the Parties will cooperate on finalisation and adoption of a Low Emission Development Strategy of Georgia in a short term and on approximating legislation of Georgia to EU and international instruments as envisaged by the Association Agreement in the medium-term.</p>
European Neighbourhood Instrument (ENI)	The European Neighbourhood Instrument (ENI) was the main financial instrument for implementing the ENP until December 2020. Climate action and disaster resilience are among the six ENI targets, while CC action and energy cooperation are among the priority areas. The ENI regulation specifies that environment is one of the cross-cutting objectives in all actions undertaken under the regulation. During the period under review, a large part of the EU support to Env. & CC was channelled through the Neighbourhood Investment Platform (NIP), formerly known as the Neighbourhood Investment Facility (NIF) and established in December 2007.
Energy	Limited information available from documents scrutinised (e.g. no access to feasibility studies, ESIA's and economic analysis) although issues discussed with stakeholders and project management during the field phase.
ENI/2019/412-869 & ENI/2019/412-866 Programme for Energy Efficiency in Public Buildings in Georgia – EBRD & KfW Part ENI/2019/404204 GESR	<p>Based on energy balance data, in 2016, fossil fuels accounted 69% of primary energy consumption in Georgia. Almost all fossil fuels are imported from neighbouring countries. However, electricity is largely generated by domestic hydropower. Domestic firewood although considered that it leads to deforestation is an important domestic energy source for buildings. According to the Food and Agriculture Organisation the forest cover has been considerably reduced in the last thirty years, one reason being illegal harvesting of firewood.</p> <p>The energy performance of the Georgian building stock is very low due to its age, construction standards and limited renovation efforts. The lack of modern energy performance regulation and limited availability of Energy Efficiency ("EE") materials and services further contributes to a high energy consumption (30% of the country's total energy consumption is attributed to the whole building sector including public, residential and commercial buildings). It is estimated that public buildings represent approximately 4% of the building sector energy consumption.</p> <p>During the preparatory study a preliminary building inventory has been established covering around 70% of all public buildings. It contains 4 000 entries with key energy indicators and general building information. Key findings of the assessment of the inventory include:</p> <ul style="list-style-type: none"> • 68% of the buildings belong to the education sector followed by office and administration buildings with 10%; • 26% of buildings are built between 1940-1970 and 39% between 1970 and 1990; • Most of the buildings are built of bricks while around 27% are made of concrete panels; • 32% of buildings are heated by gas and 9% by coal, diesel, or electricity; • 38% of buildings use firewood for heating or partial-heating.

²⁵ SWD(2015) Review of the ENP

²⁶ Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and Georgia, of the other part (2014)

²⁷ The development of an Institutional Framework for the Implementation of the Association Agreements in Georgia, Moldova and Ukraine. European Parliament. 2018.

	<p>Since 2010 only 320 buildings have been completely renovated, rebuilt, refurbished or newly built.</p> <p>For schools energy demand typically ranges between 140 and 280 kWh/m2 depending on the climate zone. However, a huge variation could be found due to different state of repair of buildings.</p> <p>Affordability concerns combined with low energy performance in buildings cause the common issue of under-heating. The preparatory study estimated that more than 50% of all public buildings face indoor temperatures below comfort level, impacting health and safety of building occupants. Inappropriate heating, cooling and other appliances combined with limited control and regulation lead to unsatisfactory energy and building performance. In addition, the preparatory study also indicated a need for structural improvements in many buildings to ensure their structural integrity and extend their lifetime. The awareness of citizens for EE and its potential is rather low and EE is in general not a priority so far. This and the lack of an EE regulatory framework limit a greater adoption of EE in new constructions and in buildings renovation, resulting in a limited market for buildings materials, equipment and practices. Interviews during the field phase suggest that at least some of the delays in implementation of some EE-related project can be directly linked to limited awareness of potential benefits (at all levels – energy savings, development of local markets, social advantages) which has led to perceptions of immediate disadvantage (increased costs, need to abandon old, familiar practices) and even opposition to introduction of ‘new’ requirements as new legislation together with revised specifications and practices are perceived to imply higher costs and reduced profitability.</p> <p>Only recently, several small-scale EE projects have been considered by the Government of Georgia (GoG). Accordingly, there is only limited progress in implementing EE in the outdated building stock and a capacity deficit in government institutions to adequately design and implement a holistic EE renovations remains. However, demonstration projects including an initiative led by KfW to renovate up to 25 public buildings (mostly kindergartens) in Batumi will deliver substantial inputs and provide feedback for the Action.</p>
Transport	Limited information available from documents scrutinised (e.g. no access to feasibility studies, ESAs and economic analysis) although issues discussed with stakeholders and project management during the field phase.
Technical Assistance for Georgia Transport Connectivity– Phase 1” financed from the general budget of the European Union under the Neighbourhood Investment Platform ENI/2018/403-497	The EU Contribution supporting the Project through the Action modalities complements the financing package made available, through sovereign loans, by the Bank and the other IFIs.
Mobility	
<i>Sources of information</i>	<i>Evidence</i>
EAMR 2017	On the positive side, the Visa Liberalisation Action Plan, which led to the granting of visa-free travel for Georgian citizens in 2017, proved to be a major leverage for reform across a broad range of governance topics in Georgia.

I-3.1.2 Degree of linkages between EU engagement in policy dialogue and EU interventions, including extent to which the modalities and funding channels used ensured the adequate incorporation of policy/reform conditionality in the support provided.

Policy and political dialogue take place in various formats, both government and donor led, varying according to the thematic area. Directly related with the Association Agreement, important fora of discussion include the Association Committee and specific sub-committees. Bilateral high-level policy and political dialogue are concentrated at the stage of developing budget support programmes – dialogue after that largely concerns implementation issues, and especially, efforts to satisfy performance indicators. The annual monitoring and reporting inherent in budget support disbursement are an important part of policy dialogue which assists the GoG in identifying progress and the next steps required. .All EU budget support actions, as well as Connectivity and Mobility actions, allowed for adequate incorporation of

policy reform conditionality. Still to be examined whether conditionality tended to be scaled down as cooperation proceeded and problems arose. At regional level, policy dialogue is on-going at all levels with the Eastern Partnership, through which Ministerial meetings provide long-term political guidance on shared priorities.

Policy dialogue also takes place with CSOs through the EaP through Civil Society Platform.

<i>Evidence</i>	
Overall assessment of quality and credibility of evidence	Between EU materials and numerous interviews across sectors, evidence for the Indicator is assessed as Strong .
General	
<i>Sources of information</i>	<i>Evidence</i>
EAMR 2016	<p>Policy dialogue was carried out mainly in the sectors where the EU is providing or preparing budgetary support, which in 2016 included: DCFTA, economic development, circular economy, agriculture, employment, vocational education and training (EVET), public finance management (PFM), regional development, support to IDP's, public administration reform (PAR), and justice. Additionally, policy dialogue took place regarding human rights and in the sectors of big investments blended in via NIF grants, namely environment, energy, waste and transport.</p> <p>The payment of close to maximum of the requested funds under budget support shows the dedication and progress in reforms constantly accompanied by policy dialogue, via Steering Committees and day to day contacts with Beneficiaries. Dialogue with other development partners including the IMF as well as with the Ministry of Finance was intensified concerning the monitoring of fulfilment of the general condition on macroeconomic stability, as the IMF programme went off-track. Bilateral visits, high-level visits at sector level and discussions in association bodies also contributed to policy dialogue. Georgian authorities are willing partners, but also skilful negotiators, explaining in part, why older generation financing agreements occasionally included process rather than results oriented conditions.</p> <p>This, combined with the overall strong Georgian commitment to reform, with the weight of the EU voice, and with the importance of tranche disbursement for government finances, has led to the high disbursement level. In general the support programmes of agriculture, PFM, regional development, IDP's and PAR programs resulted in full compliance with the objectives set and results expected. The few results not delivered or delayed were largely due to the preoccupations with the pre-election and government formation periods, or weaker capacity. Other factors included a change in Georgian policy (independent investigative mechanism), overambitious targets (land reform), inconsistent formulation of indicators (juvenile justice) and a misunderstanding of the Commission's focus on substance over formality in terms of conditions.</p> <p>Concerning NIF projects, related policy dialogue and commitments were made by the Government for the reforms in the areas of public transport and environment, supported by significant investment projects for (such as Kutaisi water, Tbilisi Public Transport, and Tbilisi Schools Energy efficiency). Commitments need to be delivered in full by the Government or Local Municipality and new rounds of policy dialogues with these authorities will determine if new projects will be undertaken with them (the Batumi busses project, municipal and regional waste management projects, etc.). In some cases, negative outcome of the policy dialogue has resulted in the EU contribution being ruled out, as was the case with the "Waste Trucks" project, where the policy and reform component was too weak. Another project, "Batumi Buses", proposed for funding under E5P, was put on hold until the policy and reform side of the project linked with the scale of the impact from emissions is strengthened.</p>
PAR	
<i>Sources of information</i>	<i>Evidence</i>

PAR, SRC, FA, Annex 1:TAPs	Use of the BS modality enabled policy/reform conditionalities to be closely aligned with GoG strategic sector priorities, contained within the Roadmap, 2020 and other government PAR strategies and documents.
PFM	
<i>Sources of information</i>	<i>Evidence</i>
PFRPF, SRC, FA, Annex 1: TAPs	Use of the BS modality enabled policy/reform conditionalities to be closely aligned with GoG strategic sector priorities, such as the PFM Strategy and the 2017 PEFA on which those priorities were determined.
Agriculture & rural development	
<i>Sources of information</i>	<i>Evidence</i>
ENPARD I	Specific conditions are closely linked to the sector priorities within the SADG and other government agricultural and policy documents
ENPARD II	Specific conditions are closely linked to the sector priorities within SADG and other government agricultural and policy documents
ENPARD III	Specific conditions are closely linked to the sector priorities within SADG and the RDSG and other government agricultural and policy documents
ENPARD IV	Specific conditions are closely linked to the sector priorities within SADG and the RDSG and other government agricultural and policy documents
Justice, Rule of Law, democratic governance, and human rights	
<i>Sources of information</i>	<i>Evidence</i>
EAMR 2016	<p>The Delegation raised the following objectives from the Gender Action Plan 2016-2020 in policy dialogue with the Government: 1. Objective 7 - Women free from all forms of violence against them (VAWG) both in the public and in the private sphere; 2. Objective 8 - Trafficking of women for all forms of exploitation eliminated; 3. Objective 13 - Equal access for women to all levels of quality education and vocational education and training free from discrimination; 4. Objective 17 - Equal rights and ability for women to participate in policy and governance processes at all levels; 5. Objective 18 - Women's organisations and other CSOs and Human Rights Defenders working for gender equality and women's empowerment and rights freely able to work and protected by law.</p> <p>[...]</p> <p>The Delegation selected more than the 1 minimum required objective under the 3 thematic priorities of the Gender Action Plan (physical and psychological integrity, economic and social rights, voice and participation) due to its determination to stress their importance and highlight the need of the beneficiary to take gender equality and the differentiated needs of women, girls, boys and men into account in development cooperation. The selection of the above noted objectives was preceded by the Gender Analysis for Georgia, undertaken by the Delegation, using its in-house expertise, in line with the Guidance Note on the EU Gender Action Plan 2016-2020.</p>
Economic development and market opportunities (DCFTA, SMEs, VET)	
<i>Sources of information</i>	<i>Evidence</i>
Georgia: Compliance Review – EU Sector Budget Support Programme Support to EU-	The Association Agreement (AA) ¹ was signed on 27 June 2014 and ratified by the Georgian Parliament on 18 July 2014. The Agreement defines the actions to be taken in 28 sector policy areas, and comprises some 34 Annexes and Protocols, which identify the Legislation, Directives and Regulations that must be transposed into Georgian legislation within a 2-7 years' time period. In order to meet these goals, a <i>National Action Plan for the Implementation of the Association Agenda (2014)</i> and an <i>Action Plan for the Implementation of the Deep and Comprehensive Free Trade Area (2014-2017)</i> were drafted and approved by the Government Commission on EU Integration (GCEUI) on 29 July 2014, and adopted by Government Decree (N° 1516) on 26 August 2014. The Association Agenda, setting out the priorities for the period 2014-2016 was adopted by the Association Council on

Georgia DCFTA and SME, June 2017	<p>14 November 2014. On the 1 September 2014, approximately 80% of the AA, including all trade-related elements, entered into force in advance of the final ratification of the Treaty by all Member States.</p> <p>The DCFTA comprises around 300 technical regulations, covering SPS (272 regulations) and TBT measures (27, including 21 New Approach Directives and 6 horizontal legislation), which Georgia has to transpose into national law by 2027. To ensure timely fulfilment of the Government's commitments under the DCFTA, multiannual and annual action plans integrating legislative approximation were adopted. The plans are revised as needed to take into account the enterprises' emerging needs based on bi-annual and (if needed) quarterly progress reports, listing achievements made and proposing changes for the consideration of the Ministry of Economy and Sustainable Development.</p> <p>A maximum of EUR 25 could be transferred to the Georgian State budget during the fiscal years 2015-2018 subject to the Georgian Government meeting the General and Specific Conditions set out in the Technical and Administrative Provisions (TAPs) appended to the Financing Agreement. The funds were planned to be disbursed through 4 instalments: instalment 1 – EUR 6 million was disbursed under the first fixed tranche and EUR 6 million was paid against the second fixed tranche and 1st variable tranche. Two further fixed and variable tranches (instalments 3 and 4), respectively EUR 6 million each, were foreseen to be transferred in 2017 and 2018.</p> <p>As part of the SRC, a Technical Assistance project entitled <i>Facility for the Implementation of the Association Agreement in Georgia</i> (ENPI/2015/362304) was launched on 6 July 2015, the objectives of which were threefold:</p> <ul style="list-style-type: none"> • To support the implementation of the EU-Georgia bilateral agreements (Association Agreement, DCFTA, VLAP,) and the Association Agenda at the level of the Government via strengthening the overall internal coordination, monitoring and reporting mechanisms; strengthening the target institutions' capacity in that regard; increasing the effectiveness of donor assistance programming and coordination, in regards to the implementation of the Association Agenda. • To support the identification and implementation of reforms required in the framework of the implementation of the bilateral Agreements, including support to the legal approximation process in Georgia in sectors required by the AA and other bilateral agreements. • To support the further development and the implementation of the Communication and Information Strategy of GoG in relation with the GE-EU bilateral agreements and respective Action Plans.
UNECE, Regulatory and Procedural Barriers to Trade in Georgia. Needs Assessment, 2018	
Annex 1 To Financing Agreement EnI/2017/040-319 Technical And Administrative Provisions	<p>Skills Development and Matching for Labour Market Needs (budget support):</p> <p>At the inception of the intervention it was planned that a coordinated bilateral policy dialogue related to budget support with the Georgian Ministry of Finance and the line Ministries would be led by the EU Delegation and conducted throughout the sector reform contract. Civil society and social partners were to be included in the policy dialogue through their membership in the programme steering committee.</p> <p>The policy dialogue would support the general and specific objectives of the programme and the eligibility and performance indicator related milestones. It would pay specific attention to the credible costing and financing of the sector strategies and the overall progress of the sector reforms. It was also built around the Risk Management Framework. The EU Delegation would document important dialogue activities and monitor whether the Government acts upon policy messages.</p> <p>No updates have yet become available.</p>
	Connectivity
<i>Sources of information</i>	<i>Evidence</i>
Environment & CC	
EU4Climate Acquis component	<p>Progress Report No. 2 For the period of 01 January 2020 to 31 December 2020 To the European Union: Neighbourhood Investment Platform ("NIP") On the implementation of the action entitled: (Delegation Agreement ENI/2018/403-314) "Enguri Hydro Power Plant Rehabilitation Project: Climate Resilience Upgrade".</p> <p>Policy dialogue component, the Enguri Hydrology Initiative (the "Initiative"), a partnership between public and private hydropower operators with the relevant Government agencies to introduce improved river basin coordination, hydro-meteorological data sharing and best international practices in climate resilient hydropower management.</p>
Single Support Framework for EU support to Georgia (2017-2020)	Sector 3: Connectivity, energy efficiency, environment and climate change (indicative 15% of total budget mainly in the form of TA or policy dialogue) notes the importance of a sustained policy dialogue;

	<p>The lessons learned from implementation of the ENPI 2007-2013 and the ENI 2014 -2016 informed the programming of the SSF such as: the need to programme assistance within the framework of clear national sector strategies, supported by costed Action Plans and evidence of ownership by the Government; the importance of a sustained policy dialogue, the importance of mainstreaming cross-cutting issues – environment and climate change. Donor coordination and policy dialogue are taking place in various formats, both government and donor led, varying according to the thematic area. Directly related with the Association Agreement, important fora of discussion include the Association Committee and the specific sub-committees, which provide an opportunity to strengthen policy dialogue. In addition, for Green Economy and Sustainable Management of Resources, there are two AoG donor coordination groups. There is also the Caucasus Biodiversity Council, which is discussed through a Regional/transboundary coordination platform supported by the WWF.</p>
EAMR report 2020	<p>The main tools to implement our assistance remained policy dialogue and budget support, accompanied by projects – including blending of grants and loans – and a growing recourse to indirect management with development agencies.</p> <p>Important blending operations are ongoing with KfW and EBRD for energy efficiency investments in public buildings, tied to explicit reform conditionality. An intense policy dialogue accompanies these operations, as well as flanking support through technical assistance, twinning, E5P lending operations, EU4Energy, and the Covenant of Mayors. Following the major progress made in adopting primary energy and energy efficiency laws, the EU now expects key pieces of secondary legislation to be enacted to ensure the full implementation of the sector reform.</p>
Action document for EU4ENV	<p>Policy dialogue is on-going at all levels with the Eastern Partnership. Ministerial meetings provide longer-term political guidance on shared priorities. The 2016 EaP Ministerial on environment and climate is among the high-level events preparing the next EaP Summit in November 2017. The Panel on Environment and Climate Change enables implementation.</p> <p>It is helping Georgia to facilitate national policy dialogues on green economy, further legal reforms on Strategic Environmental Assessment (SEA) and Environmental Impact Assessment (EIA) laws, promote the introduction of Resource Efficient and Cleaner Production (RECP) practices in SMEs, provide advisory services to establish Sustainable Public Procurement (SPP) and eco-labelling policies, develop waste management strategy, identify priority environmental sectors for policy reform, support public environmental expenditure management, contribute to green innovation in SMEs, strengthen capacities for the establishment of Extended Producers Responsibility schemes, promote compliance assurance, assess and reinforce administrative capacity of the governmental institutions for improved environmental management, and develop Green Growth Indicators (GGIs).</p>
European Union Water Initiative Plus for the Eastern Partnership (EUWI+ 4 EaP) (2016- 2021)	<p>The initiative focuses on specific thematic areas: Legislation, policy development and institutional strengthening, including: Organisation of regular National Policy Dialogues.</p>
Association Agreement drafted in 2014 and coming into force in 2016 and accession to the Energy Community Treaty 2017.	<p>The annual monitoring and reporting inherent in the two processes are an important part of policy dialogue which assists the GoG in identifying progress and the next steps required.</p> <p>Policy dialogue also takes place with CSOs through the EaP through the EaP CSO Ministerial on environment and climate, facilitated by PLATFORM 3: Connectivity, Energy Efficiency, Environment and Climate Change.</p> <p>Donor coordination and policy dialogue are taking place in various formats, both government and donor led, varying according to the thematic area. Directly related with the Association Agreement, important fora of discussion include the Association Committee and the specific sub-committees , which provide an opportunity to strengthen policy dialogue.</p>
Energy	<p>see I-1.2.3 above. Limited information available from documents scrutinised (e.g. no access to feasibility studies, ESAs and economic analysis) although issues discussed with stakeholders and project management during the field phase.</p>
Transport	<p>see I-1.2.3 above. Limited information available from documents scrutinised (e.g. no access to feasibility studies, ESAs and economic analysis) although issues discussed with stakeholders and project management during the field phase.</p>
Mobility	
<i>Sources of information</i>	<i>Evidence</i>
Georgia: Compliance Review – EU Sector Budget Support Programme Support to EU-	<p>The Visa Facilitation and Readmission Agreements entered into force in March 2011, and a visa dialogue was opened in June 2012, which was designed to result in visa-free travel for Georgian citizens to the EU Schengen area. In October 2014, the Commission adopted the 2nd Progress Report on the implementation of the Visa Liberalisation Action Plan (VLAP), marking the successful completion of Phase 1 of the process and granting</p>

Georgia DCFTA and SME, June 2017	permission to embark upon Phase 2. In early 2016, following the acceptance of the 5th positive progress report, the Commission Services presented a legislative proposal to the Council and the European Parliament to lift visa requirements for Georgian citizens holding a biometric passport - amending Regulation (EC) No 539/2001. Visa-free travel was granted in February 2017 and entered into force on 28 March 2017.
National Erasmus+ Office Georgia, 15 Years of Bologna Process in Georgia: Achievements, Challenges and Recommendations	<p>Quality assurance mechanisms in Higher Education have undergone changes in Georgia and – as the result of the country adopting the Bologna process – have been based on Standards and Guidelines for Quality Assurance in the European Higher Education Area. New approaches to quality assurance have been developed, and particular emphasis were placed on: the involvement of all stakeholders and the mobilisation of appropriate human, information and material resources to effectively manage the quality assurance processes of the University; the continuous evaluation of the institution's activities, resources and services and the use of these results for the further development of the institution's activities; assessment of the effectiveness of the quality assurance mechanisms provided by the institution (Order of the Minister of Education and Science of Georgia, 2018 № 07/N). Erasmus + (ICM - International Credit Mobility) has been operating since 2015 and is the largest actor in Georgia in terms of internationalisation of higher education.</p> <p>Overall, the internationalisation of higher education in has mainly be driven by the process of Europeanisation of the tertiary education sector and funding provided through the Erasmus+ programme can be considered a strong incentive.</p>

I-3.1.3 Degree to which modalities and funding channels used supported a robust results-based approach for the implementation of the cooperation strategy.

In budget support, a results-based approach was enforced by conditionality and disbursement reviews. The assessment of this indicator was largely based on interviews, particularly in Agriculture / rural development and justice sector reform. In both, the budget support approach was important for demonstrating to Government that additional external funds were conditional upon the achievement of results and outcomes, although the extent to which this operated depended to a great degree on the particular budget support programme (there were numerous in agriculture). A review of all the programmes that have been operational within the period covered by this evaluation show that there was variation in the mix of fixed and variable tranches that were utilised in order to achieve this objective. Effectiveness of a budget support programme can be measured in a variety of ways, for example, by the adherence to the planned disbursement schedule (both in terms of the financial sums and the timing); by the achievement of planned outputs and outcomes; and by the usefulness of policy dialogue. In agriculture, continued budget support appeared to give rise to a certain degree of Government fatigue, as public budget inputs that had been delivered early on later faded. In both sectors, but especially in justice, budget support indicators (which must be mutually agreed on by Government and the EC) tended to cluster at the output level, meaning that programmes continued even when envisaged outcomes were not materialising.

Evidence	
Overall assessment of quality and credibility of evidence	The assessment above is largely based on interviews, and its strength is assessed as Medium .

I-3.1.4 Evidence that modalities and funding channels promoted national ownership.

Budget support ownership issues were discussed above. The upside is that the policy strategy supported is a national one, the downside is the ministry specifically concerned does not see a direct inflow of funds. Georgia has consistently been assessed as strongly committed to reform and specifically to Association. An external evaluation in 2016 found that the ENI promoted national ownership in the region.

<i>Evidence</i>	
Overall assessment of quality and credibility of evidence	The continuation and expansion of the budget support modality in Georgia suggests that the evidence for this assessment is Strong .
<i>Sources of information</i>	<i>Evidence</i>
EAMR 2014	As to the breakdown of the aid portfolio by aid modality, the tendency appears to point towards further preference of budget support. This may support the quality of the instrument and thus of the cooperation at large. BS accounted to 60 % of the two programmes under the AAP 2014, being Justice and support to DCFTA/SMEs and will likely be more than 50 % in the envisaged allocations of the AAP 2015 as identified in the related fiches. In view of the approach of the new Government the potential tendency for the upcoming AAPs, i.e. 2015 and beyond is likely to be more continuously focused towards the present average of 59 % without tendencies for further increase or strong volatility between modalities.
EAMR 2016	As to the breakdown of the aid portfolio by aid modality, it shows a pre-eminence of budget support associated with relatively high complementary measures. Performance so far, including success stories (ENPARD, Justice etc) has shown that in the specific case of Georgia, strong commitment and openness to EU policy dialogue and significant reform ownership have made this instrument an effective tool to yield sustainable reform results.
Evaluation of ENI (2016)	While it is too early to assess effectiveness, impact and sustainability, ENI planning and actions have been prepared in a way which promotes ownership and institution building. ENI programmes support political and policy dialogues and significantly contribute to the special relationship with partner countries expected from the implementation of the instrument.

JC3.2 Modalities and funding channels ensured timely delivery of EU support

The modalities and funding channels used have ensured timely delivery of EU support while minimising transaction costs.

I-3.2.1 Evidence of timely delivery of EU support (including identification of main factors explaining delays).

The budget support component of a Budget Support Programme (the other component is Complementary Assistance) comprises a mix of both fixed and variable tranches, where the particular mix will vary with the particular programme. Disbursement of a variable tranche requires both the General Conditions and the Specific conditions relating to that instalment to be met. Comparing the actual disbursement schedule with that which was planned and contained within the FA, Annex TAPs, enables assessment of whether EU support was implemented in a timely fashion and any variation between the planned and actual disbursement rate.

Review of documentation indicates that disbursement was by and large smooth in PAR, PFM, agriculture and rural development, regional development and DCFTA/SMEs. . Where there are delays in disbursement or disbursement of a lower amount than planned (or both), the reasons for this are explained. An external report in DCFTA support found high compliance, but criticised that monitoring was activity- and process-oriented and based on implementing Annual Action Plans rather than progress towards cumulative results. Indeed, the entire policy matrix was activity-focused, without any reference to outputs or outcomes. No information has yet been found on implementation of budget support for VET and skills development.

The sector that stands out for disbursement delays is the justice sector in 2016-2017. To judge from the relevant EAMR, issues were failure to achieve reforms in registration of land titles, issues related to creating an independent investigative mechanism to investigate wrong-doing of law enforcement officials, juvenile justice, and effective investigations of alleged ill-treatment. There was also an issue with prosecutorial reform, In total, the EUD judged that only 4 of 11 Specific Conditions

had been met. Notable was the performance-based evaluation for prosecutors and its actual impact. In the specific area of juvenile justice, there was an exchange of letters between the HoD and the relevant ministry in which Government objected that the called-for juvenile detention facility was no longer necessary.

In the area of blending projects, implementation delays are more the rule than the exception. Some of these were attributable to COVID-19, but more common were delays due to slow procurement, delays in recruitment, extended negotiations with government (and high turnover of personnel and decision-makers) etc. Major infrastructure investments generally have a long project cycle from conception to conclusion of construction and despite usually optimistic estimates of time scale, contractual delays, variations, claims and disputes are commonplace (and usually independent of the financing modality, in this case, blending).

<i>Evidence</i>																											
Overall assessment of quality and credibility of evidence	For sector budget support programmes, the evidence for comparing actual against scheduled disbursements is Strong. In the Connectivity area, detailed project documentation is needed to judge timeliness, but it is safe to observe that there have been many delays related, e.g., to procurement. Nonetheless, the strength of evidence examined in that area must be assessed as Weak. A related issue is the timeliness of TA, involving the drafting of ToR, the recruitment of experts, their deployment, etc. Evidence on this aspect of timeliness is Weak .																										
Budget Support, Trends and results, EU, Luxembourg, 2020, p.44	<p>General</p> <p>The following table provides information on the disbursement rates for 7 BSPs:</p> <table border="1"> <thead> <tr> <th>BSP</th> <th>Disbursement rate (%)</th> </tr> </thead> <tbody> <tr> <td>ENPARD I</td> <td>100%</td> </tr> <tr> <td>ENPARD III</td> <td>100%</td> </tr> <tr> <td>REGIONAL DEVELOPMENT, II</td> <td>100%</td> </tr> <tr> <td>PFPR</td> <td>97.6%</td> </tr> <tr> <td>ENPARD II</td> <td>92.1%</td> </tr> <tr> <td>DCFTA & SMEs</td> <td>91.0%</td> </tr> <tr> <td>PAR</td> <td>87.9%*</td> </tr> <tr> <td></td> <td></td> </tr> </tbody> </table> <p>*based on three out of four instalments</p> <p>The following three tables demonstrate the mix of fixed and variable tranches used in 11 BSPs that span the period covered by this evaluation:</p> <p>Table. All instalments comprise a fixed tranche and a variable tranche</p> <table border="1"> <thead> <tr> <th>BSP</th> <th>Variable tranche as proportion of all instalments (%)</th> </tr> </thead> <tbody> <tr> <td>PFPR</td> <td>84.2%</td> </tr> <tr> <td>ENPARD, II</td> <td>88.9%</td> </tr> <tr> <td>ENPARD, III</td> <td>73.0%</td> </tr> </tbody> </table> <p>For PFPR and ENPARD II and III, there was considerable uniformity in the share of the variable element in each instalment. In the case of ENPARD III, the share of the fixed element in the second instalment was considerably more than that in each of the following three instalments, where the share</p>	BSP	Disbursement rate (%)	ENPARD I	100%	ENPARD III	100%	REGIONAL DEVELOPMENT, II	100%	PFPR	97.6%	ENPARD II	92.1%	DCFTA & SMEs	91.0%	PAR	87.9%*			BSP	Variable tranche as proportion of all instalments (%)	PFPR	84.2%	ENPARD, II	88.9%	ENPARD, III	73.0%
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was fairly uniform. This may well be explained by the EU desire to provide early incentives and motivation for the GoG for the efforts that would be required in fulfilling the special conditions (indicators and targets) for the variable tranches which become more complex and challenging.

Table. An initial fixed tranche for the first instalment while each subsequent instalment comprised both a fixed tranche and a variable tranche

BSP	Variable tranche as proportion of all instalments (%)
PAR	60%
ENPARD, I	71.4%
SKILLS DEVELOPMENT	63.3%
JUSTICE	72.0%
DCFTA & SMEs	64.0%

In the case of PAR and Skills Development, the share of the fixed elements was higher in the second instalment than in the subsequent instalments, possibly as early motivation for the GoG for the efforts that would be required in fulfilling the special conditions (indicators and targets) for the variable tranches. In the case of the other three BSPs (ENPARD, 1, Justice and DCFTA and SMEs), the variable element in each instalment, following the initial fixed tranche, was relatively high (in each case over 80%) and consistent, suggesting that the fulfilling the special conditions was more challenging.

An initial fixed tranche for the first instalment while each subsequent instalment comprised a variable tranche

BSP	Variable tranche as proportion of all instalments (%)
EU4ITD	63.0%
ENPARD, IV	64.5%
CONFLICT AFFECTED	70.0%

In the case of EU4ITD, ENPARD IV and Conflict Affected, all of the subsequent instalments, after the first instalment which comprised a fixed tranche, were entirely composed of variable tranches, suggesting that fulfilling the special conditions was more challenging and would require greater effort and understanding.

Placing these data within the context of EU BS worldwide, in 2019, BS programmes on average comprised more variable tranches (56%) than fixed tranches (44%) although use of variable tranches remained largest in Europe and Latin America, where the need for fixed tranches to smooth large domestic revenue fluctuations was considered not so important. The use of the variable tranche was to focus dialogue and M&E on key reforms agreed and the expected results. (Budget Support, Trends and results, EU, Luxembourg, 2020, p.45).

Between 2014-2019, 12% of all BS contracts worldwide supported agriculture and rural development (contributing to SDG 2).

PAR

Sources of information

Evidence

PAR SRC, FA: Annex 1, TAPs PAR, Compliance Review Missions, by independent external consultants: for second third and fourth instalments	Comparing the actual disbursement schedule with that which was planned and contained within the FA, Annex TAPs, enables assessment of whether EU support was implemented in a timely fashion. Where there are delays in disbursement or disbursement of a lower amount than planned (or both), the reasons for this are explained. The budget support component had 4 annual instalments (from 2016 to 2019 inclusive) and the 4 instalments included a fixed tranche (EUR 4 million, EUR 2 million, EUR 1 million, EUR 1 million, respectively), which was disbursed on satisfactory fulfilment of the General Conditions. In addition, each instalment (except the first one) included a variable tranche (EUR 2 million, EUR 5 million, EUR 5 million respectively), which could be disbursed upon fulfilment of the Specific Conditions. Also to be taken into account from the timelines point of view is the provision of Complementary Support, and particularly TA, for which external recruitment is necessary. The disbursement rate was 87.9% based on three out of four instalments.
PAR, SRC, Final disbursement Note (for both the 2018 fixed and variable tranches) from Head of EUD to Director DG NEAR C	The fixed tranche for the final instalment in 2018 was fully disbursed but only EUR 3.75 million (out of a possible 5 million) was actually disbursed. Thus, although an actual disbursement was made in the planned year (and was therefore delivered in a timely fashion), only EUR 4.75 million out of a possible total of EUR 6 million was actually transferred to the GoG Treasury.
PAR, Compliance Review Missions, by independent external consultants for second instalment, July 2017	Draft Final Report (second instalment), although there is no summary compliance assessment table.
PAR, Compliance Review Missions, by independent external consultants for third instalment, June 2018	Draft Final Report (third instalment).
PFM	
<i>Sources of information</i>	<i>Evidence</i>
Georgia Action Fiche for Support to PFPR, EC Implementing Decision on the AAP PFPRP, SRC, Disbursement Notes from EUD to EC, DG NEAR (for 2015, 2016, 2017)	Comparing the actual disbursement schedule with that which was planned and contained within the FA, Annex TAPs, enables assessment of whether EU support was implemented in a timely fashion. Where there are delays in disbursement or disbursement of a lower amount than planned (or both), the reasons for this are explained within the disbursement reports. The budget support component had 4 annual instalments (from 2016 to 2019 inclusive) and the 4 instalments included a fixed tranche (EUR 4 million, EUR 2 million, EUR 1 million, EUR 1 million, respectively), which was disbursed on satisfactory fulfilment of the General Conditions. In addition, each instalment (except the first one) included a variable tranche (EUR 2 million, EUR 5 million, EUR 5 million respectively), which could be disbursed upon fulfilment of the Specific Conditions. The actual disbursement rate was 100%, 100% and 94%, respectively, for the three years.
PFPRP, SRC, Final disbursement Note (for both the 2017 fixed and variable tranches) from Head of EUD to Director DG NEAR C	The fixed tranche for the final instalment in 2017 was fully disbursed but only EUR 7.16 million (out of a possible 7.6 million) was actually disbursed. Thus, although an actual disbursement was made in the planned year (and was therefore delivered in a timely fashion), an amount slightly less than planned (94% of the possible total) was actually transferred to the GoG Treasury.
PFPRP, SRC, Disbursement Note (for both the 2016 fixed and variable tranches) for second instalment from Head	Both tranches – fixed and variable - for the second instalment in 2016 was fully disbursed. Thus, the full actual disbursement (100%) was made in the planned year (and was therefore delivered in full and on time).

of EUD to Director DG NEAR C	
PFPRP, ,SRC, Disbursement Note (for both the 2015 fixed and variable tranches) for first instalment from Head of EUD to Director DG NEAR C	Both tranches – fixed and variable - for the first instalment in 2015 were fully disbursed. Thus, the full actual disbursement (100%) was made in the planned year (and was therefore delivered in full and on time).
Agriculture & rural development	
<i>Sources of information</i>	<i>Evidence</i>
Final Evaluation of ENPARD 1, March 2013-2017, Final Report, December 2017	<p>The original ENPARD 1 Financing Agreement (FA) signed in March 2013, provided € 40 million overall (consisting of Sector Budget Support of € 18 million and Complementary Support, covering both grants and TA, of € 22 million). ENPARD 1 was then extended by a year (signed in July 2014), with additional funding of € 12 million (€ 6.5 million of which was extra Budget Support and the remainder, € 5.5M, for Complementary Support), raising the overall total for ENPARD 1 to € 52 million (with 47.1% of this being for Budget Support). The overall implementation period was set at 60 months, plus a 24-month closure period and an increase in the Budget Support period from 36 to 48 months. The indicators remained as before, although new ones were added for the final year, 2016. External independent reviews of ENPARD 1 were carried out for each year of its operation, i.e. 2013, 2014, 2015 and 2016.</p> <p>In addition, each instalment (except the first fixed one) comprised a variable tranche (EUR 2 million, EUR 5 million, EUR 5 million respectively), which could be disbursed upon fulfilment of the Specific Conditions linked to indicators and targets.</p> <p>The total amount of Budget Support provided was € 24.5. External independent reviews of ENPARD 1 were carried out for each year (i.e. 2013, 2014, 2015 and 2016). The funds flowed efficiently (for the intended purposes) and in accordance with the FA schedule. Each tranche was disbursed on time and in the full amount, since the general conditions were met for the fixed tranche and the specific conditions fulfilled 100% for the variable instalments. The mechanism that was established within Georgia ensured that there was a timely and efficient flow of funds from the EU to the NBG, to the Treasury in the MoF and then to the state budget. This was possible due to the positive macroeconomic environment and the advances made in PFM reforms, together with improvements in transparency (all important for good governance). The mechanism confirmed that, as long as it existed, it would be reliable for future funds to continue to flow under this financial aid modality.</p> <p>The Complementary Support was implemented effectively and on time and in accordance with the terms specified in the FA, Annex 1: TAPs. The overall disbursement rate was 100%</p>
ENPARD II, FA, Annex 1: TAPs Review Missions for First, Second and Third Instalments ENPARD Final Evaluation, p.91	<p>ENPARD II comprised a total of €50 million, split between €27 million for budget support and €23 million for CS.</p> <p>The first tranche was disbursed in December 2017 and consisted in a payment of €6.5 million out of €9 million. The second tranche was disbursed in December 2018 and consisted in a payment of €10.375 million out of a possible €11.5 million (corresponding to €9 million for the 2nd tranche and € 2.5 million for an indicator reassessed from the first tranche). The total recommended disbursement for the third tranche, comprising the fixed and variable tranches, was €8 million out of a possible €9 million.</p> <p>The overall disbursement rate was 92.1%. The second phase of the programme was heavily weighted towards the use of variable tranches, providing greater incentives to Government to achieve progress with the desired sector reforms.</p> <p>The programme also included a series of grants under the Complementary Support measures component for the following, which were implemented in a timely fashion: implementation of rural development measures (LEADER approach) in specific municipalities; pilot rural development measures in Adjara and Abkhazia; and TA to the Government in the implementation of both the Agriculture Development Strategy and the Rural Development</p>

	<p>Strategy. These grants were awarded to international NGOs (mainly for rural development measures) and to international organisations (FAO and UNDP), mainly for TA to Government and actions in Adjara.</p> <p>Although the volume of disbursement was relatively high, timeliness was a problem. On average, disbursements were five months late, the main reason for this, according to the authors of the Programme Final Evaluation, was a lack of clarity in the indicators chosen, which then related to the imperfect design of the log frame. This, they concluded was “simply a question of defining SMART indicators during the planning stage as a solid foundation for smooth implementation”.</p>																																				
<p>ENPARD III, FA, Annex 1: TAPs</p> <p>Review Missions for First, Second and Third Instalments</p>	<p>ENPARD III comprised a total of €77.50 million, split between €44.50 million for budget support and €33 million under the Complementary Support measures. The budget support was to be disbursed through four annual instalments: €7.0mn (2018); €11.8mn (2019); €12.0mn (2020); and €13.7mn (2021), each indicatively scheduled for release in the second quarters of each year. Each instalment comprised a fixed tranche of €3.0 million, with the balance comprising a variable tranche.</p> <p>The first tranche was disbursed in December 2018 and consisted in release of the full €7 million; the second tranche was disbursed in December 2019 and consisted in a payment of the full €11.8 million; the independent review mission recommended the release of the full €12 million. During 2020, the GoG requested the modification of certain 2020 indicators to reflect the complications for implementation as a result of the fiscal, economic and social effects of the COVID-19 pandemic. These were to be agreed with the EUD.</p> <p>The overall disbursement rate was 100% There was a large fixed tranche element within each instalment (larger than under ENPARD II) while the variable element increased slightly as the instalments progressed.</p> <p>The CS included four grants – all implemented in a timely fashion - covering: "Support to the development of livelihoods in disadvantaged rural regions of Georgia" (LEADER approach) in specific municipalities, via grants (€6mn) to civil society organizations (CSOs); indirect management contracts with FAO (€12 million) and UNDP (€14 million) for TA to the GoG to support the implementation of the Agriculture Development Strategy (FAO) and the Rural Development Strategy (UNDP).</p>																																				
<p>ENPARD IV, FA, Annex 1: Appendix 2, TAPs</p> <p>Information received from the Programme Manager at the EUD</p>	<p>The FA was due to be signed in December 2019 but due to the Covid situation, an amendment was agreed between the EU and the GoG to frontload the first instalment (fixed tranche) and the second instalment (variable tranche). The fixed tranche was paid in December 2020 and the second instalment (first variable tranche) was paid in late 2021.</p>																																				
<p>Support to Regional development in Georgia, phase II (ENPI/2013/024-707)</p> <p>FA, Annex: TAPs</p> <p>Compliance Assessment Review for Support to Regional development in Georgia, phase II, first instalment, May 2015</p>	<table border="1" data-bbox="510 1056 1111 1267"> <thead> <tr> <th>Fiscal year</th> <th>2015</th> <th>2016</th> <th>2017</th> <th>Total</th> <th>%</th> </tr> </thead> <tbody> <tr> <td>Planned</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Fixed tranche</td> <td>3</td> <td>3</td> <td>3</td> <td>9</td> <td>100</td> </tr> <tr> <td>Variable tranche</td> <td>5</td> <td>6</td> <td>6</td> <td>17</td> <td>100</td> </tr> <tr> <td>Total</td> <td>8</td> <td>9</td> <td>9</td> <td>26</td> <td>100</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table> <p>The above is the planned disbursement schedule according to the FA.</p> <p>The overall disbursement rate was 100% The variable tranche comprised approximately two-thirds of each instalment out of the total of four instalments.</p>	Fiscal year	2015	2016	2017	Total	%	Planned						Fixed tranche	3	3	3	9	100	Variable tranche	5	6	6	17	100	Total	8	9	9	26	100						
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Compliance Assessment Review for Support to Regional development in Georgia, phase II, third instalment, May 2017																
Justice, Rule of Law, democratic governance, and human rights																
<i>Sources of information</i>	<i>Evidence</i>															
EAMR 2018	Budget Support Project. For 2017 the EU noted the fulfilment of the specific indicators related to the increased funding and number of beneficiaries of the state legal aid service, growing diversion rates and decreasing pre-trial detention rates of juveniles, reducing pre-trial detention rates for adults after deduction of the domestic violence cases, establishment of the prosecution council and advisory body at the prosecutors' office, rolling out of the risk and needs assessment across all prisons, corresponding numbers of inmates participating in the vocational education programmes, lower mortality and disease transmission rates in prisons, as well as enhanced reviews and use of the pre-release mechanism. However, despite important developments and achievements in the justice sector during the targeted timeframe, the programme could not develop as initially planned and 4 of 11 targets were not met. In particular, no new prison facility was built for juveniles and young offenders and likewise no regulations were approved and no staff was trained, independent investigative mechanism was not established, and not enough land plots were registered in a systematic way in the pilot regions, and accordingly the strategy was not approved and thus the implementation did not start. This resulted in disbursing EUR 6.15m out of 9m foreseen for 2017, and overall EUR 18.45m out of 30m foreseen for 2015-2017 (61.5%).															
Economic development and market opportunities (DCFTA, SMEs, VET)																
<i>Sources of information</i>	<i>Evidence</i>															
Georgia: Compliance Review – EU Sector Budget Support Programme Support to EU-Georgia DCFTA and SME, June 2017 Final Report: Support to EU-Georgia DCFTA and SMEs, SRPC, EUD, Tbilisi, 2019	<p>The budget support component of DCFTA-SME programme (EU contribution €25 million) was foreseen in four subsequent instalments, as per the following grid:</p> <table border="1" data-bbox="521 1005 1176 1177"> <thead> <tr> <th>Foreseen year of payment</th> <th>Amount</th> <th>Type</th> </tr> </thead> <tbody> <tr> <td>2015</td> <td>€6 million</td> <td>fixed tranche</td> </tr> <tr> <td>2016</td> <td>€7 million</td> <td>fixed and variable tranche</td> </tr> <tr> <td>2017</td> <td>€6 million</td> <td>fixed and variable tranche</td> </tr> <tr> <td>2018</td> <td>€6 million</td> <td>fixed and variable tranche</td> </tr> </tbody> </table> <p>The beneficiary, represented by the Ministry of Economy and Sustainable Development, submitted a request in February 2015 for the payment of the first instalment of €6 million. The EU Delegation agreed on the Government's compliance with the general conditions, allowing for payment of a full first instalment.</p> <p>The beneficiary requested the full disbursement of the 2nd instalment of €7 million on March 2016. The EU Delegation has assessed compliance with the general and specific conditions by its own means without drawing on extended review missions by external experts.</p> <p>External Review missions shall be carried out by an independent team of experts for the purposes of releasing the 3rd and 4th tranches, in accordance with par 2.7 of the Technical and Administrative Provisions (TAPs) of the DCFTA-SME programme.</p>	Foreseen year of payment	Amount	Type	2015	€6 million	fixed tranche	2016	€7 million	fixed and variable tranche	2017	€6 million	fixed and variable tranche	2018	€6 million	fixed and variable tranche
Foreseen year of payment	Amount	Type														
2015	€6 million	fixed tranche														
2016	€7 million	fixed and variable tranche														
2017	€6 million	fixed and variable tranche														
2018	€6 million	fixed and variable tranche														

	<p>As per the indicative disbursement table, it was foreseen that in Q2 2017 and Q2 2018 the 3rd and 4th tranches (both of €6 million) of the budget support component would be released to the degree that the conditions are met.</p> <p>The Assessment Report addressed whether or not the Georgian Government had met the Public Policy General Condition (GC1) and the Specific Conditions set out in the TAPs related to the release of the 2nd variable tranche (instalment 3).</p> <p>The report concluded that the Government had progressed well during 2016 with the implementation of the Sector Budget Support Programme and more generally with meeting the targets set out in the DCFTA and SME Action Plans. A compliance rate of 97.5% with the Specific Conditions represented a marked improvement on the first variable tranche assessment. However it was also noted that the high compliance rate was almost certainly a reflection of the fact that the indicators were undemanding. They were exclusively input- or process-oriented. Many of them related to the implementation of an Annual Action Plan (process), without any indication of what was expected from the implementation process, or what percentage of implementation was to be counted as satisfactory (i.e. compliant). Indeed, the entire policy matrix was activity-focused, without any reference to outputs or outcomes. The process indicators were not cumulative, that is they did not lead to a conclusion – they were repetitious processes (i.e. implementation of Annual Action Plans)</p> <p>The overall disbursement rate was 91%</p>																																			
<p>ANNEX 1 To Financing Agreement EnI/2017/040-319 Technical And Administrative Provisions</p>	<p>Skills Development and Matching for Labour Market Needs: Total estimated cost: EUR 50 850 000 Total amount of EU budget contribution EUR 48 850 000 of which</p> <ul style="list-style-type: none"> • EUR 30 000 000 for budget support • EUR 15 100 000 for complementary support; • EUR 3 750 000 for specific actions in Georgia's breakaway region of Abkhazia <p>This action is co-financed by potential grant beneficiaries for an indicative amount of EUR 2 000 000</p> <p>Aid modalities and implementation modalities:</p> <ul style="list-style-type: none"> • Budget Support Direct management: • budget support: sector reform contract • grants: calls for proposals and direct award • procurement of services <p>Indirect management with the United Nations Development Programme (UNDP)</p> <p>At the inception stage, it was foreseen that EUR 30 million would be disbursed through this sector reform contract, in five annual tranches (2018 to 2022) depending on the achievement of targets defined in the policy matrix for each of the three policy areas. The targets trigger the achievement of all the expected results of this programme. The amount defined for budget support is expected to have an effective impact on the fulfilment of the conditionality and providing a substantial leverage for the policy dialogue.</p> <p>Indicative disbursement table (in EUR million)</p> <table border="1" data-bbox="562 1206 1659 1414"> <thead> <tr> <th>Country fiscal year</th> <th>2018</th> <th>2019</th> <th>2020</th> <th>2021</th> <th>2022</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Type of tranche</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Fixed tranche</td> <td>4.0</td> <td>3.0</td> <td>2.0</td> <td>1.0</td> <td>1.0</td> <td>11.0</td> </tr> <tr> <td>Variable tranche</td> <td></td> <td>2.0</td> <td>4.0</td> <td>6.0</td> <td>7.0</td> <td>19.0</td> </tr> <tr> <td>Total</td> <td>4.0</td> <td>5.0</td> <td>6.0</td> <td>7.0</td> <td>8.0</td> <td>30.0</td> </tr> </tbody> </table>	Country fiscal year	2018	2019	2020	2021	2022	Total	Type of tranche							Fixed tranche	4.0	3.0	2.0	1.0	1.0	11.0	Variable tranche		2.0	4.0	6.0	7.0	19.0	Total	4.0	5.0	6.0	7.0	8.0	30.0
Country fiscal year	2018	2019	2020	2021	2022	Total																														
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Total	4.0	5.0	6.0	7.0	8.0	30.0																														

	<p>A coordinated bilateral policy dialogue related to budget support with the Georgian Ministry of Finance and the line Ministries was planned to be led by the EU Delegation and conducted throughout the sector reform contract. Civil society and social partners were to be included in the policy dialogue through their membership in the programme steering committee.</p> <p>No information regarding the actual disbursement (and its timeliness) is currently available</p>
Connectivity	
<i>Sources of information</i>	<i>Evidence</i>
Environment & CC	Limited information available from documents scrutinised (eg no access to feasibility studies, ESIA's and economic analysis) although issues discussed with stakeholders and project management during the field phase.
EU4Climate First Annual Report 2020	<p>Delays: In Georgia two main challenges emerged during the reporting period:</p> <ul style="list-style-type: none"> the change of EU4Climate focal point at the Ministry of Environment and Agriculture of Georgia (MoEPA) at the end of 2019 due to staff turnover. Appointed January 2020 the NDC update process is performed internally by MoEPA, and the draft NDC is not available to UNDP (or other stakeholders) during the reporting period. By the end of the reporting period, an updated NDC of Georgia was still pending internal governmental discussion and validation.
CC-413158 Khashuri Water; Interview notes on delayed implementation	<p>Khashuri project has a long story. Between 2014-2020 nothing happened. Feasibility study was finally responded to recently. The delay resulted in new scope and increased grant, development of project with DBO. Implementation period has also changed, originally 1-2 years. However, DBO has resulted in the extension of implementation up to 3 years. Construction and operation phase will be within 6 years. A consequence is that it is likely necessary for 2 years to be funded by Georgian government (possibility). The question: would contractors take the risk to source funding from the government. Thus EU advised that it might not be possible to have a 3 year operation phase.</p> <p>EU wants extended operation phase because there would be a strong support on the Georgian side. AFD has to do activities that will support operations DB(O). Secondly, there is also a TA that will support the whole operation phase of water management – water treatment and selling of fresh water. Operations and TA are funded by the EU. It will be very on the ground with field managers – support to UWSCG (utility company).</p> <p>Procurement of the contracts</p> <p>Tender documents for three lots of works. 1 Renewal and new sections of the distribution networks (water supply and wastewater) to minimize the impact on the population – prequalification phase is complete. 2. Treatment facilities, transmission mains and reservoirs (renewal and new, water supply and wastewater). 3. Sludge treatment plants. 2 and 3 are less advanced.</p> <p>Timetable on lot 1.</p> <p>Contract expected to be signed around June 202229022. Proposals are quite small and the evaluation should be completed quickly. But caution is necessary due to high turnover of utility company general managers which means the process may have to be reviewed - changes create unwanted delays.</p> <p>Other 2 lots</p> <p>Lot 2 – transmission main and reservoirs re-furnishment and building of brand new facilities water treatment.</p> <p>Lot 3. Sludge treatment and production of onsite renewable energy (methane) though there has been some doubt expressed by Georgian government as mentioned in the assessment report.</p>
Programme for Energy Efficiency in Public Buildings in Georgia – EBRD & KfW Part ENI/2019/404204 GESR; Progress Report No. 1 For the period of 20 December 2019 to 31 December 2020	<p>Given the delays with the signing and implementation of the investment project, the Contribution Agreement with the EU is expected to be amended to extend the Project's implementation period, subject to EU NIP Secretariat approval.</p>

<p>Enguri Hydro Power Plant Rehabilitation Project: Climate Resilience Upgrade</p>	<p>Electromechanical Works Switchyard & Hydro-mechanical Penstocks and Gates The updated working schedule for the electrical works was submitted on 17th of August 2020 and is still valid. A new schedule for the hydro-mechanical works was submitted on 14th of December 2020 and indicated a delay of c.6 months for completion of bottom outlet seals. Civil works at the Headrace Tunnel. For the reporting period, the Contractor was delayed in providing the updated detailed design and construction programme. At the end of the reporting period, seven out of eleven method statements were approved with comments, which allowed commencement of construction under consideration of the comments until approved, while four method statements are still returned for re-submission. Rehabilitation construction works are currently ongoing and c.75% complete, although suffered delays due to the COVID-19 pandemic and restrictions on movement in the country. Overall, COVID-19 still presents some restrictions, and as such may impose further constraints and delays on the implementation of the Project. At present, the IE has not been able to make a concrete quantification of the delays further anticipated, however as the pandemic situation improves and global restrictions are easing, construction works are able to progress. Force Majeure claims and requests for extension due to the crisis were received from several contractors, on which the IE has either reached an agreement with the relevant party, or continues to review requests. At present, design and construction works are ongoing. Due to the delays caused by the COVID-19 crisis, in October 2020, EBRD and Engurhesi have agreed to extend the Grant effectiveness date to 4 April 2021, in order to allow additional time to fulfil conditions of effectiveness. Engurhesi anticipates to fully draw the grant in 2021.</p>
<p>Transport</p>	<p>Limited information available from documents scrutinised (eg no access to feasibility studies, ESIA's and economic analysis) although issues discussed with stakeholders and project management during the field phase.</p>
<p>Twinning Contract ENPI/2015/359-333 (Aviation) Legal approximation of the Georgian Civil Aviation regulations with EU standards - Partners: Austro Control GmbH (ACG) & Croatian Civil Aviation Agency (CCAA)</p>	<p>As a mitigation action for delays, and to implement the change of approach in some topics Addendum 1 to the Twinning contract was produced.</p> <ul style="list-style-type: none"> • The GCAA was preparing for an ICAO ICVM-Audit that was originally scheduled to be performed in December 2015 and postponed several times until finally performed in the second week of April 2016. Due to the importance of this audit, some resources in the BA were occupied and several twinning missions had to be delayed. • As the number of GCAA staff is relatively small compared to that of the MS the capacity to absorb too many activities at once is limited and would interfere with the GCAAs daily business. Consequently it was observed that the drafting of new regulations by the GCAA takes longer than expected, due to the sheer volume of regulations to be transposed. This led to major delays in some departments. • Activity 5.1 Organise a workshop on the issue of legal mechanisms enabling quick adoption of European Aviation legislation and requirements" was replaced with study visits within Activity 5.4 "Study visit to relevant administration(s) in the ELI to illustrate the approach and issues of quick legal adoption procedure". The visits were to be made at the European Commission's Directorate-General for Mobility and Transport (DG MOVE) and at the Single European Sky ATM Research Programme (SESAR). • Activity 5.2 "Develop a concept and a comprehensive methodology for the legal framework enabling quick adoption of European legislation" was canceled, because such a concept was already integrated in the work of Components 3 and 4. As a result, a rulemaking procedure came into force and Transposition and Implementation Plans (TaIPs) were developed for every regulation investigated. • It was agreed between MS and BC to extend the implementation period from 21 to 27 months.

I-3.2.2 Evidence that instruments, modalities and funding channels allow flexibility during implementation and responsiveness to changing contexts.

There has been no change in context significant enough that major strategic adjustments would be necessary. Failure to progress in some areas of RoL and a general worsening of conditions in HR and democracy have been noticeable – and noted by the EU – but not dramatic enough to justify drastic changes in strategy. Policy dialogue, and the EU's ability to publicly comment on egregious disappointments (e.g., regarding the selection of Supreme Court justices) -- provided a safety valve through which the EU could flexibly react to problems when they arose without disrupting carefully designed cooperation programmes. The example of flexible EU response in mobilising extra resources in response to COVID-19 has been discussed elsewhere. All budget support agreements include standard language that GoG may request a change in conditions, and the EU is free to adjust its variable tranche disbursements downwards when it judges there has been insufficient progress

(i.e., delay payment until further progress has been made). Indicators have sometimes been found to be ambiguous or otherwise unsuitable, as was the case in ENPARD II; on such occasions, modifications were negotiated between the EUD and GoG.

A few examples of flexible and timely response have been found. One, discussed further under EQ 5, was the gradual shift of EU RoL support from the criminal justices sector to civil, commercial and administrative law, which was justified by evolving needs. Another, discussed further under EQ 9, was the flexibility of support to the Mobility Partnership as needs emerged, and the timely response (credit for which the EU and GoG equally share) to problems with visa liberalisation as they arose. TA has been a timely response to emerging needs in PAR and PFM.

Blending, as a method of project finance, presents unique issues in the area of flexibility and responsiveness, as the projects involved, largely infrastructure, are difficult to modify once underway. Long lead times in the planning process and extremely long ones during actual construction are the rule. These issues will be further examined going forward.

Evidence	
Overall assessment of quality and credibility of evidence	In budget support sectors covered, documentary (and other) evidence on flexibility is assessed as Strong
PAR	
<i>Sources of information</i>	<i>Evidence</i>
PAR, SRC, FA, Annex 1: TAPs	The FA, Annex 1 (TAPs) provides for a degree of flexibility in outlining circumstances where, at the request of the GoG, it may be possible to amend indicators and targets and where the EU may formally suspend, reduce or cancel budget support disbursements: The chosen performance targets and indicators to be used for disbursements will apply for the duration of the sector reform contract. However, in duly justified circumstances, the Government of Georgia may submit a request to the Commission for the targets and indicators to be changed. The changes agreed to the targets and indicators may be authorised by exchange of letters between the two parties. In case of a significant deterioration of fundamental values, budget support disbursements may be formally suspended, temporarily suspended, reduced or cancelled, in accordance with the relevant provisions of the financing agreement.
PAR, SRC, FA, Annex 1: TAPs	In the event that the GoG fails to fulfil the indicators for the specific conditions, as set out in the FA, the EU has the flexibility to reduce the sum to be disbursed either in part or in full and to request that the condition be fully satisfied at a later date.
PFM	
<i>Sources of information</i>	<i>Evidence</i>
PFPRP, SRC, FA, Annex 1: TAPs	The FA, Annex 1 (TAPs) provides for a degree of flexibility in outlining circumstances where, at the request of the GoG, it may be possible to amend indicators and targets and where the EU may formally suspend, reduce or cancel budget support disbursements: The chosen performance targets and indicators to be used for disbursements will apply for the duration of the sector reform contract. However, in duly justified circumstances, the Government of Georgia may submit a request to the Commission for the targets and indicators to be changed. The changes agreed to the targets and indicators may be authorised by exchange of letters between the two parties. In case of a significant deterioration of fundamental values, budget support disbursements may be formally suspended, temporarily suspended, reduced or cancelled, in accordance with the relevant provisions of the financing agreement.
PFPRP, SRC, FA, Annex 1: TAPs	In the event that the GoG fails to fulfil the indicators for the specific conditions, as set out in the FA, the EU has the flexibility to reduce the sum to be disbursed either in part or in full and to request that the condition be fully satisfied at a later date.
Agriculture & rural development	
<i>Sources of information</i>	<i>Evidence</i>

ENPARD 1, FA, Annex 1: TAPs	The FA, Annex 1 (TAPs) provides for a degree of flexibility in outlining circumstances where, at the request of the GoG, it may be possible to amend indicators and targets and where the EU may formally suspend, reduce or cancel budget support disbursements.
ENPARD II, FA, Annex 1: TAPs	The FA, Annex 1 (TAPs) provides for a degree of flexibility in outlining circumstances where, at the request of the GoG, it may be possible to amend indicators and targets and where the EU may formally suspend, reduce or cancel budget support disbursements. In December 2017, thirteen indicators related to the ENPARD II second and third tranches were clarified/adjusted at the request of Government, through an exchange of letters between the State Minister on European and Euro-Atlantic Integration and the EUD, based on NEAR C instructions. The need to introduce these clarifications/adjustments became apparent during the assessment of the first instalment, which proved to be particularly difficult due to the unclear/ambiguous formulation of numerous indicators. Government and the Commission could not find an agreed reformulation for indicator 1.14, however, which related to the third instalment.
ENPARD III, FA, Annex 1: TAPs	The FA, Annex 1 (TAPs) provides for a degree of flexibility in outlining circumstances where, at the request of the GoG, it may be possible to amend indicators and targets and where the EU may formally suspend, reduce or cancel budget support disbursements: During 2020, the GoG requested the modification of certain 2020 indicators to reflect the complications for implementation as a result of the fiscal, economic and social effects of the COVID-19 pandemic. These were to be agreed with the EU.
ENPARD IV, FA, Annex 1: TAPs	The FA, Annex 1 (TAPs) provides for a degree of flexibility in outlining circumstances where, at the request of the GoG, it may be possible to amend indicators and targets and where the EU may formally suspend, reduce or cancel budget support disbursements. The FA was due to be signed in December 2019 but due to the Covid situation, an amendment was agreed between the EU and Government to frontload the first instalment (fixed tranche) and the second instalment (variable tranche). The fixed tranche was paid in December 2020 and the second instalment (first variable tranche) was paid in late 2021.
Justice, Rule of Law, democratic governance, and human rights	
<i>Sources of information</i>	<i>Evidence</i>
Georgia case study, Thematic Evaluation of EU Support to RoL, 2014-2017	Policy dialogue on RoL has been strengthened by the fact that strengthening democracy, human rights, and the RoL has been at the centre of EU-Georgia discussions since the time of the EU-Georgia ENP Action Plan; and that there had been three justice sector budget support programmes totalling over EUR 80 million. The EU, through a THEMIS mission, contributed to designing the very first justice sector reform strategy and has been involved in continually updating this based on annual consultations. It is as a result of these consultations and accumulated experience that the focus of EU support has evolved, from criminal justice reform to sector-wide justice reform, to the emerging areas of civil, commercial, and administrative law. Field mission interviews on this subject revealed differing views, some concerned that the EU is moving away from criminal law and human rights too soon; others stating that because of the primacy of integration with Europe, a move into more economic aspects of law is necessary to maintain relevance. The choice of GIZ to lead efforts in this area is appropriate because of close traditional ties between Germany and Georgia.
Economic development and market opportunities (DCFTA, SMEs, VET)	
<i>Sources of information</i>	<i>Evidence</i>
	There is no indication that any kind of disruptive events or changed circumstances required flexible responses – beyond minor issues of adaptation in a very small number of cases.
EAMR 2016	Strong Georgian commitment to reform, with the weight of the EU voice, and with the importance of tranche disbursement for government finances, has led to the high disbursement level. In general the support programmes resulted in full compliance with the objectives set and results expected. The few results not delivered or delayed were largely due to the preoccupations with the pre-election and government formation periods, or weaker capacity.
EAMR 2014	As regards the Employment and Vocational Education and Training (EVET) budget support programme, it has reached implementation phase with no deviations or delays observed. The 1st tranche payment was successfully completed in 2 Quarter 2014 while its request for payment the of 2nd tranche is expected in February 2015 and payment is provisionally planned for 2nd Quarter 2015.
Connectivity	

<i>Sources of information</i>	<i>Evidence</i>
Environment & CC	Limited information available from documents scrutinised (e.g. no access to feasibility studies, ESAs and economic analysis) although issues discussed with stakeholders and project management during the field phase.
European Neighbourhood Policy (ENP) – review 2015	ENP governs the EU's relations with Georgia. The ENP was developed in 2004 with the objective of avoiding the emergence of new dividing lines between the enlarged EU and its neighbours and instead strengthening the prosperity, stability and security of all. The ENP was reviewed in 2011 and further in 2015. The review of the ENP in 2015 ²⁸ seeks to deploy the available instruments and resources in a more coherent and flexible manner. The reviewed ENP notes that the EU will support a resource-efficient economy by addressing environmental challenges such as degradation of and competition for natural resources.
Energy	Limited information available from documents scrutinised (e.g. no access to feasibility studies, ESAs and economic analysis) although issues discussed with stakeholders and project management during the field phase.
ENI/2017/390-659 Extension of the Georgian Transmission Network	The Action is set up to be an open program, which means it will consist of different sub-projects. The sub-projects to be financed under the Action will be fixed depending on the priorities of GSE and the outcomes of the currently ongoing feasibility study (estimated to be concluded in Q1/2018). This gives GSE and GoG the opportunity to flexibly react to changed dynamics in the energy sector. The sub-projects are closely interrelated and will be implemented according to their different timely priorities.
Transport	Limited information available from documents scrutinised (e.g. no access to feasibility studies, ESAs and economic analysis) although issues discussed with stakeholders and project management during the field phase.
Mobility	
<i>Sources of information</i>	<i>Evidence</i>
EAMR 2017	Swift response was also displayed as regards the challenges of the visa free regime, where immediate follow-up to a HOME DDG mission allowed large redeployment and acceleration of migration related assistance (extra €8.5 million contracted in half a year). On elections, contracting of an authoritative expert was done within a few weeks.
EAMR 2020	Swift response was also displayed as regards the challenges of the visa free regime, with constant follow-up to the adoption of the exit controls law, to ensure a smooth implementation.

I-3.2.3 Perception of transaction costs by parties involved.

In general, the trend has been towards increased use of indirect management, which raises costs. On the other hand budget support in general is regarded as lower in administrative terms than projects. No information is available on the perception of transaction costs in blending.

Evidence	
Overall assessment of quality and credibility of evidence	The strength of evidence for this indicator must be assessed as Weak .
PAR	
<i>Sources of information</i>	<i>Evidence</i>

²⁸ SWD(2015) Review of the ENP

<p>Budget Support trends and results, 2020, Luxembourg, EU, 2020</p> <p>PFM, Feb 2005, Sida</p>	<p>One of the key benefits of budget support (including SBS) is that it reduces the transaction costs involved with aid planning and delivery, while at the same time enables the more efficient use of resources, helps to build the capacity of government institutions to deliver, shows commitment to use and thereby strengthen partner government systems, and provides greater predictability and clarity of funding.</p> <p>Under budget support (including SBS), the partner country assumes responsibility for the receipt and use of funds, including monitoring, and the EU undertakes monitoring of each instalment, prior to agreement to the release of funds. This is a far more efficient use of donor resources than the financial and non-financial (HR) resources required for managing a number of relatively small individual projects. With BS, there is no micro-management.</p> <p>It is unknown whether there was discussion with the GoG prior to the introduction of BS as to the issue of transaction costs.</p>
PFM	
<i>Sources of information</i>	<i>Evidence</i>
<p>Budget Support trends and results, 2020, Luxembourg, EU, 2020</p> <p>PFM, Feb 2005, Sida</p>	<p>One of the key benefits of budget support (including SBS) is that it reduces the transaction costs involved with aid planning and delivery, while at the same time enables the more efficient use of resources, helps to build the capacity of government institutions to deliver, shows commitment to use and thereby strengthen partner government systems, and provides greater predictability and clarity of funding.</p> <p>Under budget support (including SBS), the partner country assumes responsibility for the receipt and use of funds, including monitoring, and the EU undertakes monitoring of each instalment, prior to agreement to the release of funds. This is a far more efficient use of donor resources than the financial and non-financial (HR) resources required for managing a number of relatively small individual projects. With BS, there is no micro-management.</p> <p>It is unknown whether there was discussion with the GoG prior to the introduction of BS as to the issue of transaction costs.</p>
Agriculture & rural development	
<i>Sources of information</i>	<i>Evidence</i>
<p>Budget Support trends and results, 2020, Luxembourg, EU, 2020</p> <p>PFM, Feb 2005, Sida</p>	<p>Applicable to the four phases of the ENPARD BS programme</p> <p>One of the key benefits of budget support (including SBS) is that it reduces the transaction costs involved with aid planning and delivery, while at the same time enables the more efficient use of resources, helps to build the capacity of government institutions to deliver, shows commitment to use and thereby strengthen partner government systems, and provides greater predictability and clarity of funding.</p> <p>Under budget support (including SBS), the partner country assumes responsibility for the receipt and use of funds, including monitoring, and the EU undertakes monitoring of each instalment, prior to agreement to the release of funds. This is a far more efficient use of donor resources than the financial and non-financial (HR) resources required for managing a number of relatively small individual projects. With BS, there is no micro-management.</p> <p>It is unknown whether there was discussion with the GoG prior to the introduction of BS as to the issue of transaction costs.</p>
Connectivity	
<i>Sources of information</i>	<i>Evidence</i>
<p>Environment & CC</p> <p>Energy</p>	<p>Interviews with development partners (AfD, KfW, GIZ, SIDA, Austria) and IFIs (EBRD, KfW, EIB, AFD) and EU were sought during the field phase to establish the degree and quality of coordination which had taken place in previous years, and how this could be re-established and improved. Also, limited information available from documents scrutinised (eg no access to feasibility studies, ESIA's and economic analysis) although issues were discussed with stakeholders and project management during the field phase.</p>

Transport	
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JC3.3 EU cooperation support benefitted from solid monitoring, evaluation and learning mechanisms

Design and implementation of EU cooperation support benefitted from solid monitoring, evaluation and learning mechanisms, and enhanced EU visibility.

I-3.3.1 Extent to which qualitative and quantitative evidence (including evidence disaggregated by sex, age, etc.) has been regularly collected (by implementing partners, monitors, EUD, etc.) at both output and outcome/impact levels.

The overall data availability situation is mixed but, on balance, good. The last general population census was carried out in 2014 and results were available by 2017, so there was an adequate statistical base for programming. GEOSTAT publishes an annual study on women and men in Georgia containing basic statistics, although these are too aggregated to be of much use for programming or monitoring and evaluation. GEOSTAT has reasonable capacity to carry out special-purpose surveys and studies. The EU supported the National Study on Violence Against Women in Georgia (2017) and a household energy consumption survey (2017). Natural Resources of Georgia and Environmental Protection (2019) contains data on land use, water supply, ambient air quality, etc. and the results of a national child labour survey were published in 2017. All of these are, however, one-off donor-financed exercises. To judge from the Geostat website, the last household income and expenditure survey dates from 2010 and the last labour force survey from 2009, indicating a significant gap in data availability. By contrast, the Agriculture of Georgia yearbook contains data on land holdings, income, etc. disaggregated by region and sex. Trade data, as is usually the case, are comprehensive and up to date.

Less clear is the extent to which evidence has been collected at output and outcome levels in the context of cooperation. The case of DCFTA budget support, where external experts characterized the Specific Conditions as being entirely activity-based, has been mentioned above. Presumably, data on gender are examined when looking at human resources aspects of PAR (as well as training and capacity building in general), but this has to be confirmed. Gender-based budgeting in Georgia appears to be still at the exploratory stage and limited to the assignment of a gender-relevance index to programme budget expenditure items. Data collection by FAO and CSOs implementing agriculture and rural development actions was extensive and the data were used to inform strategy formulation and monitoring. The extent of gender and ethnicity disaggregation is unclear at present. In the justice sector, the EU supported the use of CEPEJ (European Commission for the Efficiency of Justice) data to improve outcomes. As evidenced in programme assessment reports and evaluations, Association Implementation Reports, EAMRs, GoG reports and documents of other stakeholders, detailed output data have been regularly collected for DCFTA, SME and VET indicators. Data has increasingly been disaggregated by sex and age. However, outcome/impact level data are rarely available. It has not yet been determined if project formulation and monitoring in Connectivity are gender-sensitive. In the area of Mobility and people-to-people contacts, Erasmus+ and Horizon 2020 data are sex-disaggregated.

<i>Evidence</i>	
Overall assessment of quality and credibility of evidence	The strength of evidence for this indicator is assessed as Strong .
General	

<i>Sources of information</i>	<i>Evidence</i>
GEOSTAT, “Women and Men in Georgia” ²⁹	<p>“Women and Men in Georgia” is the thirteen statistical publication dedicated to gender equality challenges. The new edition includes a number of new indicators on labour force, health care, sports etc.</p> <p>The statistical data reflects the key indicators of gender equality in 2020 in Georgia. Percentage distribution and sex-disaggregation of statistical data have been performed as follows:</p> <ul style="list-style-type: none"> • Percentage distribution – ratios for each sex by a certain characteristic; e.g. women students in public and private higher education institutions • Sex-disaggregation within a group – for a certain characteristic by sex; e.g. the proportion of women and men students in public and private higher education institutions <p>The publication is aimed at raising public awareness of gender- related problems and developing targeted state policies in the field of gender equality. The data are retrieved from the surveys conducted by the National Statistics Office of Georgia and other administrative sources.</p>
UN WOMEN (2021) “Mapping Gender and Disability Data in Georgia: recommended indicators and actions” ³⁰	<p>While quantitative data is widely disaggregated by sex to assess various aspects of gender equality and women’s empowerment, disability status is rarely available in quantitative data sources. This situation is clearly reflected through the availability of various indicators by sex and the absence of disability data in the 2020 Voluntary National Review and its statistical annex, which reports on the implementation of the 2030 Agenda for Sustainable Development (AGoG, 2020).</p> <p>Statistics for gender equality are being published by the National Statistics Office of Georgia (Geostat) on a regular basis in the statistical publication “Women and Men in Georgia” (Geostat, 2020b). Disability statistics are nearly absent in this publication as there were only two figures in the most recent edition (in 2020): (1) the percentage of disability pensioners over the total number of persons receiving the social package, by sex; and (2) the proportion of women among disability pensioners. The Gender Data Portal developed by Geostat in 2018 (see https://www.geostat.ge/gender/index.php?lang=en) is equally disability-blind.</p> <p>The lack of statistical data was raised repeatedly in a report on the implementation of nearly every article of the CRPD, especially article 31 on statistics and data collection (AEE et al., 2017). The Government’s report on the implementation of the CRPD in 2018 had only a few statistics, and it clearly stated that “existing statistics does not fully reflect the actual number of persons with disabilities”. Its response to article 6 on women with disabilities discussed gender equality in general and had no specific reference to women and girls with disabilities (GoG, 2018)</p> <p>[...]</p> <p>Stakeholders point to Geostat while talking about gender and disability statistics. Article 34 of the 2020 Law on the Rights of Persons with Disabilities stated that “all establishments and organisations defined by this Law shall [...] be obliged to provide the Geostat with necessary data/information” (PoG, 2020, art. 34). Experience from other countries in Asia and the Pacific region showed that this would be a great challenge for line ministries as they lack the data knowledge and statistical expertise to collect and analyse data, provide information or even make proper requests for information. According to Geostat representatives, a reason for the unavailability of various gender and disability indicators is low demand or the absence of a requirement or inquiry to produce them.</p>
PFM	
<i>Sources of information</i>	<i>Evidence</i>
Parliamentary Budget Office of Georgia, State Budget from Gender Perspective – Gender Relevance Index ³¹	<p>The aforementioned methodology outlines performance indicators for programs, and in addition, states that, “by taking into account the specific nature of programs and needs, it is essential that programs with high gender sensitivity include gender as one of the indicators among others to assess the performance of the program in this area”. Accordingly, the methodology allows for the use of the presented approach of gender budgeting in the process of budget management of Georgia, and it can be considered one of the most effective mechanisms of Georgia State Budget System as it ensures that in the decision-making process policy objectives from a gender equality perspective are integrated at all levels of the budget system and all stages of the process with minimum additional resources.</p>

²⁹ <https://www.geostat.ge/en/single-news/2165/women-and-men-in-georgia-2020>

³⁰ https://www2.unwomen.org/-/media/field%20office%20georgia/attachments/publications/2021/mapping%20gdid%20data_georgia.pdf?la=en&vs=3552

³¹ http://pbo.parliament.ge/media/k2/attachments/gender_budget_gender_efficiency_index.pdf

Agriculture and rural development	
Sources of information	Evidence
ENPARD, I, FA, Annex 1: TAPs	<ul style="list-style-type: none"> The main evidence (qualitative and quantitative) collected was: by the NGOs/CSOs that received grants to initiate the LEADER and LAGs programme in selected pilot municipalities; by the FAO for support to the MoA; by groups supporting Food Safety and the farmers extension programmes linked to the development of cooperatives. Much of the data collected on agriculture were used to provide the evidence-base for preparation of the Agricultural and Rural Development strategies Some data collected led to the preparation of a Strategy for the development of cooperatives Some data collected by UNDP in Abkhazia Some of the NGOs/CSOs used the data for monitoring purposes (disaggregated by sex and age?)
ENPARD, II, FA, Annex 1: TAPs	<ul style="list-style-type: none"> The main evidence (qualitative and quantitative) collected was: by the NGOs/CSOs that received grants to continue the LEADER and LAGs programme in selected pilot municipalities; by the FAO for support to the MoA; by groups supporting Food Safety and the farmers extension programmes linked to the development of cooperatives. Some of the NGOs/CSOs used the data for monitoring purposes (disaggregated by sex and age?)
ENPARD, III, FA, Annex 1: TAPs	<ul style="list-style-type: none"> The main evidence (qualitative and quantitative) collected was: by the NGOs/CSOs that received grants to continue the LEADER and LAGs programme in selected pilot municipalities; by the FAO for support to the MoA; by groups supporting Food Safety and the farmers extension programmes linked to the development of cooperatives. Some of the NGOs/CSOs used the data for monitoring purposes (disaggregated by sex and age?)
ENPARD, IV, FA, Annex 1: TAPs	<ul style="list-style-type: none"> The main evidence (qualitative and quantitative) collected was: by the NGOs/CSOs that received grants to continue the LEADER and LAGs programme in selected pilot municipalities
Sources of information	Evidence
Georgia case study, Thematic Evaluation of EU support to RoL, 2010-2017.	<p>The SSF 2014-20 contains (pp. 21-22) a detailed matrix matching justice sector expected results, indicators, and means of verification. These are, for the most part, SMART. No information is provided in the budget support Action Document for 2014. Annual reviews with the responsible Coordinating Council have been substantive and have resulted in adjustments. Based on the 2017 annual implementation reports, EU reporting thoroughly identified areas of progress and areas of continuing concern. In its 2017 Compliance Assessment of General and Specific Conditions, the EUD found Government to be in compliance with Specific Condition 1 (access to justice through enhanced legal aid and human rights institutions) and partially compliant with Specific Condition 4 on improved prison conditions. It judged Government non-compliant with specific indicators related to land registration; the quality and efficiency of the criminal justice system; and juvenile justice. The specificity of the indicators, while conducive to the SMART philosophy, resulted in some anomalies, however. For example, while there is broad overall agreement that great progress was made in juvenile justice overall, government was penalised for not having constructed a specific juvenile facility (which was not, in the view of government officials, needed in light of juvenile justice reform).</p>
Annex III: Assessment of Public Policy Eligibility for Justice Sector Policy Support Programme	<p>CJR Strategy and Action Plan include well-developed and regularly-updated M&E methodology, with itemised specific objectives, expected results, outputs, and outcomes. The two EU-financed SPSPs in the criminal justice sector have already <i>tested the system as operational and effective</i>. While this is not yet the case for the other segments of the sector, the system is evolving.</p> <p>With regard to the justice sector performance (rather than reform implementation) monitoring, the institutions are yet to show improvements along the lines below: (a) <i>Quality policy and performance control system of the judiciary and prosecution</i> should be formalised by way of harmonised rules and disseminated guidelines, and performance targets defined; (b) <i>Inter-linked and comparable set of performance criteria</i> for all judges, courts and the judiciary governance bodies should be created to control and measure performance, taking into account the wider strategic frameworks (SDP etc.); interoperable performance indicators at the corporation (between various jurisdiction and courts, between regions) level, inter-linked to allow comparative analysis; similar developments can be expected at PO; (c) Various <i>quantitative and qualitative criteria</i> have to be used, and set against the background of comparative statistics from other countries of the region in particular, and Europe in general; (d) M&E systems should be oriented towards <i>Programme (block of projects)</i> rather than a particular project to assess performance over a longer period of time; (e) <i>Results-oriented</i> rather than procedure-based <i>measurement</i> and further development of <i>performance indicators</i> to allow comparative analysis shall be encouraged; (f) <i>Dedicated staff</i> and roles should be assigned for application of the newly</p>

	<p>developed policies and performance management systems at the court and PO; (g) User satisfaction surveys shall be conducted and used as the quality policy and performance control tool; (h) <i>Merits-based (score-based)</i> mechanism of appointment and promotion criteria of judges and prosecutors shall be institutionalised; (i) <i>Rules</i> and procedures for <i>appointments</i> (to each judicial post), re-assignments (to another court) and <i>promotions</i> shall be developed and applied on the basis of the above policy and methodological improvements; <i>competitions</i> held in all cases of appointment to a particular post, and consensus of a judge introduced as a criteria for any re-assignment to another court; (j) Judiciary and other sector institutions should be obliged to develop and strengthen the existing indicator analysis sections in their respective periodic M&E (Annual Activity etc.) reports; rules should be introduced to make <i>performance indicators mandatory</i>, reflected in the relevant sections of reports; targets should be set for improvements each year; (k) <i>Statistical and data analysis</i> tools shall be established at each justice institution to support <i>evidence-based policy</i> decisions, with real time assessment of performance based on the pre-defined indicators and milestones and “early warning” elements; (l) Feedback <i>linkages</i> should be established and applied in practice between the progress in <i>monitoring</i> and <i>performance-based budgeting</i> (for further elaboration on the quality of data and analytical mechanisms, see Section 3.3 below).</p> <p>[...]</p> <p>It has already been acknowledged that <i>inter-linked and comparable set of criteria</i> have been developed for all stakeholders to control and measure implementation of their obligations under the justice sector reform policy and the strong coordination mechanism (see sections 1.1-1-3 above). Having said that, proper performance monitoring should be more than simply the examination of progress against the sector strategy and action plan, and should include the monitoring of the impact of the reforms, measuring outputs alongside outcomes, and based on quantitative alongside qualitative criteria. The monitoring condition also refers to the establishment of a sound statistical base to support evidence-based policy decisions. While the Georgian authorities (such as MOJ and sector reform drivers) have already put in place M&E systems, these are merely the first steps. These systems at times tempt to propose elaborated and complex selections of M&E, without procedures in place to collect, report and analyse the data. As a result, at times the M&E sections of the implementation plans look good on surface, with no sufficient actual effect, continuation, practical meaning, qualitative performance indicators. Another important issue remaining in Georgia is the reluctance of subordinated and sector institutions to set proper outcome-type (rather than merely output-type) indicators. This is due to the core essence of outcome as a result that is attributable not only to the sector efforts but also to many external factors which are outside of control of a single institution (i.e. increased effectiveness in access to and exchange of data among law enforcement institutions), and thus not always desired to be included in the M&E plans due to uncertainty and/or a fear of criticism. A further issue with the current M&E systems is a lack of temporal intensity in measuring progress, owing partly due to a lack of automation of the monitoring process. Assessments made every year or 6 months might be sufficient at the strategic, national, level. Yet an effective monitoring system should also European Commission for the Efficiency of Justice (CEPEJ) include real time assessment of the performance based on the pre-defined indicators and milestones. Such computerised monitoring system may include “early warning” elements indicating in real-time that some of the deadlines in achieving goals are not met or milestones defined for each programme are not achieved. In this way, at the operational (sector or programme level), the decision makers will have a chance to undertake the necessary remedy actions immediately.</p> <p>The above analysis notwithstanding, the Georgian Government has shown a clear understanding and willingness to undertake further improvements along the lines indicated in Section 1.2 above, allowing to reasonably expect the necessitating improvements in the policy development and budgeting process alongside progress in the monitoring and evaluation exercise.</p>
Economic development and market opportunities (DCFTA, SMEs, VET)	
<i>Sources of information</i>	<i>Evidence</i>
Assessment by the team based on interviews and documentary review.	Detailed output data have been regularly collected for DCFTA, SME and VET indicators as evidenced in programme assessment reports and evaluations, Association Implementation Reports, partly EAMRs, GoG reports and documents of other stakeholders (see EQ7). Data has increasingly been disaggregated by sex and age. However, outcome/impact level data are rarely available.

I-3.3.2 Degree of integration of lessons learnt from past policies, strategies and interventions in the design of new interventions.

A strong point of the EU’s cooperation support in Georgia has been the fact that, in some sectors (PAR, PFM, agriculture and rural development, and justice sector reform) it is long-standing. This has allowed accumulation of a stock of experience and lessons learned. The SSF 2017-2020 contained a credible list of lessons learned during the implementation of the ENPI 2007-2013 and the ENI 2014-2016. All programming documents examined, e.g. Action Documents, contain Lessons

Learned sections, including identification of factors linked to past successes. In some cases, lessons learned are rather generic (the importance of government commitment, the role of capacity building, the importance of policy dialogue, etc.) but in others, e.g. agriculture and rural and, particularly, Connectivity (not a budget support sector), they are quite granular.

Evidence	
Overall assessment of quality and credibility of evidence	Given the number of sectors examined, interviews, and strategic documents, evidence for this Indicator is assessed as Strong .
General	
<i>Sources of information</i>	<i>Evidence</i>
SSF 2017-2020	<p>A number of lessons learned during the implementation of the ENPI 2007-2013 and the ENI 2014-2016 have informed the programming of this SSF:</p> <ul style="list-style-type: none"> • The need for projects that produce tangible results for citizens and provide high visibility for the EU; • The need to programme assistance within the framework of clear national sector strategies, supported by costed Action Plans and evidence of ownership by the Government; • The importance of a sustained policy dialogue; • The importance of Government capacity to coordinate external assistance, ensure coherence between the budgetary processes and policy agenda, and to monitor the implementation of the AA/DCFTA; • The importance of mainstreaming the key principles of Public Administration, including on inclusive and evidence-based policy and legislative development (in line with the Better Regulation approach advocated at the EU level) in sector programmes and policy dialogue • The importance of mainstreaming cross-cutting issues, notably civil society engagement, youth, gender, a rights-based approach, social inclusion, environment and climate change, and of employing confidence building measures in potential and post-conflict situations, taking into account the condition of Internally Displaced People (IDPs) and other conflict affected persons; • The need to ensure coherence between interventions financed through the national, thematic, cross-border and regional envelopes; • The desirability and necessity of pursuing a joint programming approach with EU Member States and willing partners and ensuring synergy with bilateral and multilateral donors, IFIs and International Organisations; • The importance of fostering strategic communication on EU policies and support; <p>The need to step up EU's policy of engagement and non-recognition towards the breakaway regions of Georgia and promote confidence and peace building measures, as well as to mainstream this engagement throughout the different programmes where relevant.</p>
PAR	
<i>Sources of information</i>	<i>Evidence</i>
PAR, Action Document, AAP, 2015	<p>Lessons learnt: The preliminary recommendations of the country evaluation for the period 2007-2013 point out the following success factors that have been taken into account in design of this programme: broad sector approach, appropriate interlocutor responsible for the overall sector reforms and sufficient complementary measures.</p> <p>Lessons learnt from the implementation of PAR-related programmes in transition countries and other sector support programmes in Georgia show that it is crucial to ensure high-level political leadership and commitment as well as a level civil service commitment for the PAR process. There also has to be a close coordination by the lead institution with other key ministries, especially the Ministry of Finance, and avoid rivalry among involved institutions leading reforms in PAR core areas. The overall political environment needs to be favourable for change and allow enough autonomy to the involved institutions to take the reforms forward.</p>

	The framework and efficiency of reforms should be strengthened through adopting a harmonized approach in the policy-development processes, systematically developing realistic strategies and budget-ready action plans, anticipating the adaptation of the regulatory framework and establishing the mechanism for an effective coordination and public engagement in the process of elaboration and implementation of the reforms. The gap analysis conducted in 2014 revealed that further work needed to be done to develop the policy framework, strengthen intra-governmental and donor coordination, develop realistic budgets and establish a performance assessment system. The Government of Georgia has committed to that with the development of the PAR Roadmap.
PFM	
<i>Sources of information</i>	<i>Evidence</i>
PFMRP Action Fiche, AAP, 2013	Lessons learned from the previous Budget Support (BS) Programmes, and especially via the PFM-related programmes (EC Sector Policy Support Programme 2007-2009 and the subsequent 2010-2012 phase) have shown that Georgia continues to qualify for BS and that the BS system is now well understood and indeed appreciated by the authorities and considered by them as an important support and driver for the design and implementation of jointly agreed reforms. This being said, experience from previous programmes highlights, on the one hand, the importance of being realistic and progressive in the development of public finance reforms, and the role of institutional capacity building and, on the other hand, the capacity of BS to contribute to sustain the on-going development of policy dialogue as a necessary element for reforms to achieve their stated objectives. Assessment of programmes implemented by the authorities via different types of bilateral cooperation show that the reforms in the areas of public finance have been pursued, albeit with varying degree of success, by the responsible authorities, and reforms have indeed ensured the achievement of a solid foundation in public finance policy and management which, combined with satisfactory stability-oriented macroeconomic policy and an improved business environment, have contributed to progressively improve the quality of the country economic governance. Finally, it is worth noting that the commitment of the authorities to further reforms in public finance policy and management has not been compromised after the recent Parliamentary elections. The new Government has engaged in a constructive dialogue and publicly stated its commitment to public finance-related reforms as critical to further progress, especially needed in times of fiscal consolidation, in terms of efficiency, transparency and accountability of public finances.
Agriculture & rural development	
<i>Sources of information</i>	<i>Evidence</i>
ENPARD, III, Action Document	Lessons learnt: The support to rural development under previous phases of ENPARD started in late 2015, therefore main lessons learnt are applicable to agriculture sector. A mid-term evaluation of ENPARD, including the newly incorporated rural development component, is foreseen towards the last quarter of 2016. [10] One important lesson learnt during the initial two years of implementation, as expressed by the beneficiaries of the farmers' grant schemes, is that while agricultural support is vital to them, it is also important to address other social and economic needs for them to have a more direct support to truly improve their livelihoods. This has been adequately considered through shifting from an agriculture sector-based approach to a territorial one that reflects the unique economic, environmental and social concerns affecting each territory. On this basis, the adoption of the EU LEADER approach to rural development has an integral part of the programme is allowing the beneficiary population, including local authorities, businesses and communities to establish local strategies and plans that reflect the particular needs of each targeted municipality, and to assist in the implementation of relevant projects to address these needs with sub-granting schemes. From the agricultural support provided so far, the main lesson learnt from ENPARD is that the cooperative model, including the revised regulatory framework, is appropriate to the context, expanding rapidly to over 1,400 in number over the last two years, and is also assisting them in reaching markets faster and better than individual farmers do, reducing inputs costs to 20% on average and boosting income as high as 40% for advanced groups. Regarding capacity building activities to the MoA, a key lesson learnt is that in order to speed up the necessary changes within the Ministry and make them more profound, sustained support is required in order to change the working culture.
Economic development and market opportunities (DCFTA, SMEs, VET)	
<i>Sources of information</i>	<i>Evidence</i>
Action Document for Support to EU-Georgia DCFTA and SMEs	All programming documents comprise detailed lessons learnt sections. For example, in the case of the Action Document for Support to EU-Georgia DCFTA and SMEs:

	<p>Lessons learnt come from the implementation of EU technical assistance and twinning projects in trade-related areas, from the implementation of EU regional programmes in support of SMEs, as well as from the use of budget support in other areas (justice, public sector reforms, agriculture, regional development, IDPs). The main lessons are:</p> <p>Twinning in the quality infrastructure area revealed the need to further support core trade-related institutions in the preparation of effective and strategic planning, strengthen their capacity in legal areas having an impact on consumer protection, intensify the education of the staff of relevant agencies, improve the role of and cooperation with the Government market surveillance, increase the participation of public and private stakeholders to the policy dialogue and to increase general awareness on DCFTA for the public at large.</p> <p>Trade-related institutions are advancing at different paces and some need more substantial support than others: the institutions' capacities to adopt and implement reforms, the degree of preparation of their staff, coordination, ownership and sustainability differ across the institutions and within institutions involved in the same policy area. The National Food Agency (NFA) seems to be more developed than quality infrastructure agencies; NFA is also receiving a substantial support from the state budget due to the priority attributed by the Government to agriculture and food safety.</p> <p>EU regional programmes in support of SMEs (under the SME Flagship Initiative) highlighted the need for a more constructive dialogue with the private sector and civil society, as well as the need to regularly conduct impact assessments to assess regulatory changes on SMEs. The promotion of lifelong entrepreneurship learning and actions to improve SMEs skills require also special attention.</p> <p>In order to prevent duplication, close coordination between bilateral and regional activities in support of SMEs is required.</p> <p>EU budget support operations helped laying the basis of consistent policy frameworks, supported a more efficient budgetary planning and expenditures, therefore contributing to deliver better services. Timely and well-targeted complementary technical assistance played also crucial roles in ensuring the success of budget support programmes. Challenges consist in improving inter-governmental coordination, in further increasing the efficiency of public spending, and in improving the strategic analytical capacities of the institutions.</p> <p>Lessons learnt from EU past interventions are also in line with other donors' recommendations on future actions in support of the private sector, namely : to jointly define cooperation programmes to help Georgian authorities to most effectively implement the national economic strategy, to support a "private sector impact assessment" in order for the authorities to better understand how previous assistance was channelled into the economy, to prepare and adopt action plans inclusive of budget, timeframe of implementation and assignment of responsibilities in the implementation of the national economic strategy, to establish interdisciplinary and inter-ministerial working groups for sectoral policy development.</p>
Connectivity	
<i>Sources of information</i>	<i>Evidence</i>
Environment & CC	
Single Support Framework (2017-2020)	<p>The lessons learned from implementation of the ENPI 2007-2013 and the ENI 2014 -2016 informed the programming of the SSF such as: the need to programme assistance within the framework of clear national sector strategies, supported by costed Action Plans and evidence of ownership by the Government; the importance of a sustained policy dialogue, the importance of mainstreaming cross-cutting issues – environment and climate change.</p> <p>Lessons learned from 2007 – 2013 include the importance of mainstreaming cross cutting issues including youth and gender.</p> <p>Mentioned under Lessons learnt from previous programming exercises: The desirability and necessity of pursuing a joint programming approach with EU Member States and willing partners and ensuring synergy with bilateral and multilateral donors, IFIs and International Organisations (It is reported</p>

	that coordination between the EU and other donors/IFIs had become more difficult due to COVID restrictions during the previous year due to the lack of face-to-face meetings, and coordination had been hard to reinstate yet.
Energy	Limited information available from documents scrutinised (eg no access to feasibility studies, ESIA's and economic analysis) although issues discussed with stakeholders and project management during the field phase.
Biomass Energy and EE Technologies as a Sustainable Energy Solutions for Georgian CoM signatories (BioEn4CoM Sign)	Output 7.4: Tailor made training/seminars incorporating "lessons learned" during two selected pilot building thermos-modernization in each target municipalities delivered and relevant documents available.
Transport	
The World Bank Fourth East West Highway Improvement Project (P130413)	<p>While the project has achieved its objectives, the adoption of a programmatic approach could have deepened the level of the Bank's engagement. This is particularly the case with sector governance interventions such as Road Safety and institutional capacity development, where a number of stakeholders are involved, and interventions are usually required over a long period of time. The programmatic approach would also be suitable for the phased approach followed in developing the highway (earlier phases include construction of specific sections, while preparing studies for the subsequent sections). Having a long-term perspective to the sector development ensures more sustainable Government commitment and can also lead to savings in preparation time and costs.</p> <ul style="list-style-type: none"> • Close and structured coordination with other development partners has helped yield high-impact programs. The Bank's engagement through the wider East-West Highway program and the close coordination with the Government and other development partners, namely the European Investment Bank (EIB) and subsequently the Asian Development Bank (ADB), helped generate strong momentum to support the Government with this large infrastructure initiative. While coordination at the strategic level has shown good results, there is more space for improvement at the implementation level, including coordination on the review of studies that are financed by an IFI with civil works financed by another. • The strategic orientation awarded by the Bank to the development of the East-West Highway maximized the benefits for Georgia, illustrating the importance of long-term engagement. The Bank's lead role in supporting the early phases of the East-West Highway program generated interest from other development partners, who stepped in to finance sizable shares of the highway, enabling the Bank to engage more actively in strategic aspects such as sector governance and supporting the wider eco-system of the highway network. This complementarity in engagement offered Georgia the opportunity to maximize the benefits at the sectoral level. • The Bank had a clear value addition through its review and advisory on the implementation of the different studies and technical assistances in the project. The Bank should aim in its operations to strike a good balance between the financial support and the technical advisory it offers in a manner that optimizes the Bank's value addition. Also, a more strategic approach, underpinned by detailed assessments, in identifying technical assistance will yield better results than a fragmented one. • Complimenting physical investments with parallel Technical Assistances financed through Trust Funds can inform aspects that are critical for the project objectives. The Bank-delivered and GIF-funded T.A. looking at M&O of the East-West Highway enabled the Bank to engage more widely in policy dialogue with the Government on the options of sustainable maintenance arrangements for the East West Highway. • The wide range of components and responsible government agencies reduced the level of diligence at preparations stages. The readiness of the Contractors Association to support the delivery of the component on improving the local construction industry was not assessed as adequately as aspects related to the larger components of the project. Also, the large number of activities in the project placed pressure on RD's teams, particularly at a time when several new projects were being prepared. Projects should be prepared with as much of a streamlined implementation arrangement as possible. In addition, project should be designed paying more attention to executing agencies' capacities not only to implement the subject project but also future pipeline of projects that will be prepared/ implemented in parallel. To this effect the study on assessing the capacity of RD should have been advanced during project implementation. • The implementation of the civil works contracts was successful on various fronts including time and quality. Key to this success was the early preparation of the project studies and design, close monitoring by RD's responsible department, the capabilities of the contractors, and quality

	<p>of supervision services. These aspects shall be warranted careful attention when conceptualizing projects and when assessing projects' level of readiness.</p> <ul style="list-style-type: none"> • Almost all complaints in the project were addressed successfully, despite some delays in closing one of these cases. The close monitoring and advisory offered by the Bank played a good role in successfully handling these complaints, coupled with the high level of engagement and proactiveness by RD. Strong cooperation by the different parties, and the establishment of a results-driven culture in addressing complaints (as opposed to a blame-approach) produces satisfactory results to all stakeholders involved, and should be advocated at the outset of project implementation. • The lack of clear approach and guidelines by the Bank on how to mitigate against risks arising from financing studies for projects that will be eventually financed by other financiers poses a reputational risk to the Bank. This is the case if the produced studies (whether detailed design, ESAs, Resettlement Action Plans, or other) are not complied with. The Bank needs to develop clear guidance on such arrangements.
<p>Twinning Contract Number ENPI/2015/359-333 Legal approximation of the Georgian Civil Aviation regulations with EU standards - Partners: Austro Control GmbH (ACG) & Croatian Civil Aviation Agency (CCAA)</p>	<p>Lessons learned</p> <ul style="list-style-type: none"> • It is highly recommended to find a solution regarding the structuring of Georgian laws. • The commitment and support of the BC administration was very high, but the direct advantage and motivation for the individual staff members could be emphasized to a higher degree. • It is recommended to shift the focus of the BC to guarantee a detailed resource allocation for the time of the project. Availability of staff that will participate in project activities from the beginning to project completion must be defined in advance to avoid shifts in the schedule. <p>For future Twinning</p> <ul style="list-style-type: none"> • It is highly recommended to update the definition of the legal situation and regulations taken into consideration shortly before the start of the implementation phase. A considerable lot of efficiency was lost due to the poor definition of the applicable regulations and missing clarification from the side of the European Commission. • To ensure sustainability of the results it may be a good idea to offer Twinning tools with short but highly specialised trainings for the BC administration within a larger timeframe and thus keep up a constant line of communication and contact with the twinning partner way past the twinning implementation phase.
<p>The 2018 interim evaluation of justice sector reform (p. 13)</p>	<p>"Regarding the implementation modalities used, the beneficiaries find the twinning approach to be very inflexible, especially regarding the formalities involved to make even a small change. The twinning modality is used to support judicial training in the HSoJ and is led by Latvia, while the last 10 years the Commission had a preference for the TA approach when programming the strengthening of judicial training. The project in Georgia ran into delays in one component and the synergy with the beneficiary does not seem to be very high, in part because of lack of buy-in from the beneficiary." This is in reference to the Twinning project with Latvian judicial school and HSOJ, contract # 388-133.</p>
<p>Mobility</p>	
<p><i>Sources of information</i></p>	<p><i>Evidence</i></p>
<p>Action Document for the European School in Georgia, 2019</p>	<p>All programming documents for actions comprising mobility components include detailed lessons learnt sections. For example, in the case of the European School, [...] One year after the successful launch of the Eastern European School in Tbilisi (pilot phase) some critical elements for success has been identified. The first determining factor is linked to the hosting Government's level of engagement, in both political and financial terms, and the willingness to upgrade the national curriculum along European teaching standards. Critical operational and technical lessons learned have been:</p> <ul style="list-style-type: none"> • high level political backing from EU and other stakeholders helps overcoming bottlenecks and resistance to change; • a sufficiently long preliminary phase is essential to bring together the various components in a cohesive and timely manner (infrastructure, training, recruitment) • clear and strong commitment from all partners is required; • Member States' experience in education is a precious source for structuring and developing alternative curricula and their involvement should be ensured from the outset; • the European Schools General Secretariat and the International Baccalaureate Organisation are important guides in curriculum revision and adaptation.

	The pilot phase also showed that a gradual approach is indeed the best way to approach such an ambitious and large-scale programme. This Action will build on the lessons learned from the pilot phase and on the precious experience gained in the implementation of what has been a unique approach to traditional external cooperation instruments. The Action will also rely on the continuation of formal and informal partnerships and implementation arrangements with key stakeholders.
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I-3.3.3 Degree of awareness among national authorities and beneficiaries of EU non-bilateral support and non-spending actions supporting the cooperation strategy

Little relevant evidence has been collected so far, but a few generalisations seem safe. National authorities are aware of non-spending actions because they are the principal interlocutors in policy and political dialogue. The same goes for Georgian civil society, which is heavily implicated in policy dialogue. Awareness of regional support, on the part of national authorities, but also civil society, is raised by the fact that Georgia is regarded as a star performer in the Eastern Partnership.

<i>Evidence</i>	
Overall assessment of quality and credibility of evidence	Evidence collected refers mostly to evidence regarding awareness of EU's bilateral spending actions, and not non-spending actions or regional support. Awareness of the first is probably limited to the small circle of persons who are actually involved in policy dialogue. For these reasons, the strength of evidence regarding this indicator is assessed as Weak .
PAR	
<i>Sources of information</i>	<i>Evidence</i>
PAR, AD, AAP, 2015	<p>Government is aware of the importance of the EU intervention in support of implementation of its PAR agenda (including the PAR Roadmap, 2020) at the highest levels of government, including within the leadership of the MoF the line ministries and the SAP.</p> <p>Government also had experience of the value of additional external funds (through budget support) to increase the total state revenue and make possible sufficient fiscal space to support the sector reforms.</p> <p>The Government of Georgia is committed to PAR and acknowledges its importance both to the implementation of the National Development Strategy (Georgia 2020) and the EU Georgia Agreements (AA, Deep and Comprehensive Free Trade Agreement (DCFTA) and Visa Facilitation and Readmission Agreements). The Government has adopted a number of strategies, which address different aspects of PAR.</p> <p>The Preamble of the EU-Georgia Association Agreement (AA) refers to the mutual commitment to cooperation in good governance areas, including in the fields of public administration and civil service reform and the fight against corruption, as preconditions for the effective implementation of the Agreement. Although there is no unified mandatory EU framework on Public Administration Reform (PAR) in cooperation with third countries, the European Principles of Public Administration, developed by OECD/SIGMA in cooperation with the European Commission and published in November 2014, serve as reference framework for the assessment and further development of policies in the field.</p> <p>There are a large number of Government institutions involved in this programme: direct beneficiaries (including the AoG, line Ministries, and their local offices, as well subordinate agencies to relevant ministries) plus several state agencies such as the Statistics Office (GEOSTAT), the Civil Service Bureau, and the Public Service Delivery Agency, local governments and civil society organisations. The end beneficiaries are the citizens of Georgia.</p>
PFM	
<i>Sources of information</i>	<i>Evidence</i>


PFMRP, AD PFMRP, FA, Annex 1 TAPs	The GoG was aware of the importance of the EU intervention in support of implementation of its PFM reforms (including the development of an updated PFM Strategy, for which TA was provided). The GoG also had experience of the value of additional external funds (through budget support) to increase the total state revenue and make possible sufficient fiscal space to support the sector reforms.
Agriculture & rural development	
<i>Sources of information</i>	<i>Evidence</i>
Assessment by the team based on interviews and documentary review.	Applicable to the ENPARD programme (I,II,III,IV) The GoG was aware of the importance of the EU intervention in support of implementation of its agricultural and rural development reforms (including the development of an updated Agricultural Strategy and subsequently, a Rural Development strategy), for which TA was provided, and grants for civil society involvement to support local rural development initiatives) and development of agricultural research institutions. The GoG also had experience of the value of additional external funds (through budget support) to increase the total state revenue and make possible sufficient fiscal space to support the sector reforms.
Connectivity	
<i>Sources of information</i>	<i>Evidence</i>
Environment & CC	
Geo-ENI c-391014 Technical assistance for awareness, information and communication to improve waste management practices in Georgia and the visibility of EU support to the sector Final Report	Technical assistance for awareness, information and communication to improve waste management practices in Georgia and the visibility of EU support to the sector. The specific objective of this project and its activities was to increase awareness, understanding, active participation and support by the society for improved waste management practices in Georgia, with emphasis on the EU support to the sector. Campaign 2 –Extended Producers Responsibility (EPR)This component facilitated the introduction of EPR in Georgia by informing and involving key stakeholders in discussions (about the EPR scheme and bylaw) and prepare them for the new regulations. The campaign increased understanding of EPR and engagement of business community and relevant government bodies in preparation process including EPR scheme/legislative drafting in Georgia, as well as raised public awareness and support of EPR among the general population. Campaign 3 -EU4EnvironmentThe campaign mainly covered the EU and its activities in Georgia, with an emphasis on the support to the waste and environment sector. It increased visibility and raise awareness of the general public on EU activities in Georgia through various communications channels.
GEORGIA'S UPDATED Nationally Determined Contribution (NDC) 2021	Para 33: recognizes the importance of public participation and awareness raising on climate change mitigation and adaptation process and plans to implement the respective measures. Para 34: envisages the role of the youth in the process of fighting against climate change and invites all national stakeholders for cooperation to provide climate change-related education for children and youth, as well as for organising the awareness raising events and trainings; Para 70: acknowledges the nationalization of targets 5.1-5.6, 5.a, and 5.b of Sustainable Development Goal 5 on the achievement of gender equality and empowerment all women and girls; Given that the majority of teachers at primary and secondary schools, 58%7 of lecturers at universities, and 65%8 of doctors are women, Para Para 71: Georgia intends empowering women as agents of change through involving them in decision-making processes addressing healthcare issues induced by climate change and related to the activities and programs, such as awareness raising on climate change, capacity building and knowledge-sharing aiming at changing behavior.
c-404428 Support to reform in the Waste Management Sector	In the waste management sector, the EU supported Georgia to create a legislative and political framework, to strengthen capabilities at both central and local levels and increase public awareness, which will subsequently lead to the re-use of resources and recycling of waste. The EU continues to assist Georgia in the field of waste management. The aim of the project is to support circular economy, waste prevention, reuse, recovery and recycling. It also introduces the principle of Extended Producer Responsibility (EPR), a policy approach under which producers are given a significant responsibility – financial and/or physical – for the

	<p>treatment or disposal of post-consumer products. EPR is a new concept for Georgia and its introduction requires relevant legal framework and adequate awareness of the public and private sector.</p> <p>The initiative focuses on specific thematic areas: Legislation, policy development and institutional strengthening, including: Public awareness, communication and data/information management.</p>
Energy	
<p>ENI/2019/412-869 & ENI/2019/412-866</p> <p>Programme for Energy Efficiency in Public Buildings in Georgia – EBRD & KfW Part ENI/2019/404204 GESR</p>	<p>The awareness of citizens and decision makers for EE and its potential is rather low and EE is in general not a priority so far. This and the lack of an EE regulatory framework limit a greater adoption of EE in new constructions and in buildings renovation, resulting in a limited market for buildings materials, equipment and practices. Interviews during the field phase suggest that at least some of the delays in implementation of some EE-related project can be directly linked to limited awareness of potential benefits (at all levels – energy savings, development of local markets, social advantages) which has led to perceptions of immediate disadvantage (increased costs, need to abandon old, familiar practices) and even opposition to introduction of ‘new’ requirements as new legislation together with revised specifications and practices are perceived to imply higher costs and reduced profitability. The holistic approach and national coverage will set the standards for the building sector. This combined with awareness raising activities provided by the EU funded GESR TA will contribute to the learning process of stakeholders and emphasise the role of the building sector to the climate protection. The Programme builds critical knowledge and experience about EE in the building sector, considering the new regulatory framework and performance benchmarks. This will allow further development of the EE market, increase general awareness and lead to a higher adoption of EE in the whole building sector. It is expected that grant levels can be reduced over time as the market for EE in buildings develops, under-heating is eliminated and capacity and understanding of benefits of EE is developed at a large scale.</p> <p>Communication activities shall demonstrate how the intervention contributes to the agreed programme objectives and shall be aimed at strengthening general public awareness and supporting of interventions financed and the objectives pursued. In addition, communication activities shall aim at highlighting to the relevant target audiences the added value and impact of the EU's interventions. Additionally, any communication activity shall promote transparency and accountability on the use of funds.</p>
<p>ENI/2017/392-880</p> <p>Biomass Energy and EE Technologies as a Sustainable Energy Solutions for Georgian CoM signatories (BioEn4CoM Sign)</p>	<p>The project envisages four (4) main activities: full thermo-modernization of 2 selected municipal buildings (kindergartens) with consideration of RE & EE technologies; establishment of renewable energy (biomass) supply chain in order to ensure the heating of 2 selected buildings with using of agriculture wastes (vineyards’ pruning residues); capacity building and awareness raising campaigns (such as sustainable energy days/week, trainings, seminars etc) for target beneficiaries and information dissemination and visibility of the project results.</p> <p>In 2018, within project different activities have been implemented for awareness raising of project stakeholders leading to the following outcomes: conducting of sustainable energy day; participation in various awareness-raising and promotional events, such as EU Day in Batumi city as well as participation in international events (Conference: “Municipalities for Sustainable Growth” organized in Kiev, Ukraine) dedicated to the popularization of sustainable energy projects.</p> <p>Activity 5: Capacity Building and Awareness Raising Campaigns Sub-Activity 5.1: Development of all necessary presentations and materials for capacity building of local decision makers and staff of beneficiary organizations to present them findings and benefits of performed sustainable energy investments projects and provide relevant training/seminars (operation & maintenance of various renewable energy/energy efficient installations); Sub-Activity 5.3: Conducting awareness raising campaigns (Sustainable Energy Weeks/Days); Sub-Activity 5.4: Development of necessary communication materials for both local decision makers (to replicate the project in other sites), and public at large including informational leaflets, brochures, posters etc.</p> <p>Based on project proposal there was not envisaged the development of the project Communication of Strategy (CoS) though with recommendation of EU delegation of Georgia and CoM DeP support team, the key expert in communication and awareness rising developed the CoS based on which have been and will be implemented all awareness raising activities for 2018-2021; Annex 18: Project Communication of Strategy.</p> <p>As for other sub-activities (5.3; 5.4) related to the awareness-raising campaign 1st sustainable Energy Day in Telavi municipality (Telavi city) was organized in June of 2018.</p>
<p>ENI/2017/390-659</p> <p>Extension of the Georgian Transmission Network</p>	<p>Communication activities shall demonstrate how the intervention contributes to the agreed programme objectives and shall be aimed at strengthening general public awareness and support of interventions financed and the objectives pursued. In addition, communication activities shall aim at</p>

	highlighting to the relevant target audiences the added value and impact of the EU's interventions. Additionally, any communication activity shall promote transparency and accountability on the use of funds.
Transport	Limited information available from documents scrutinised (e.g. no access to feasibility studies, ESAs and economic analysis) although issues discussed with stakeholders and project management during the field phase.
Technical Assistance for Georgia Transport Connectivity– Phase 1” financed from the general budget of the European Union under the Neighbourhood Investment Platform ENI/2018/403-497	<p>Key players for road safety soft measures also include the Ministry of Economy and Sustainable Development for road safety strategy coordination, including awareness raising, and the Ministry of Internal Affairs for police enforcement.</p> <ul style="list-style-type: none"> • Awareness raised on road safety issues • Awareness campaigns delivered • Awareness campaigns delivered • Awareness target group survey • Institutional sustainability will be ensured by training key-personnel and creating awareness on all levels among the entities involved in the Project.

Cluster 2: Thematic EQs

EQ4 - Public Administration Reform, including Public Financial Management

To what extent has EU support to Georgia contributed to improving the efficiency, accountability and transparency of the public sector through Public Administration Reform, including improved Public Financial Management?		
Description/ Rationale	<p>The PAR programme aimed to support the Government in implementing the PAR Roadmap 2015-20 and its Action Plan, the reform of the central public administration, including modernisation of the civil service, introduction of a more policy driven and results-oriented management approach, an improvement in the quality and accessibility of public services and the introduction of decentralisation through an increase in transparency, accountability and integrity in the public sector. In PFM, a strong emphasis was placed on increasing efficiency in the management of public funds, focusing specifically on accountability and transparency by involving a higher level of political and institutional responsibilities with checks and balances and by facilitating a more informed oversight by non-state actors and citizens. JC 4.1 examines public institutions' capacity for policy making and implementation in general and JC4.2 specifically focusses on PFM and the specific functions essential to it.</p>	

JC4.1 Increased public institutions' capacities

Increased public institutions' capacities (central & regional / local level) to plan and implement public policies

I-4.1.1 Increased capacity of key stakeholders (including CSOs) to manage, coordinate and monitor PAR processes at national and sub-national level, strengthen external scrutiny and consultation and ensure sustainability

Public Administration Reform (PAR) and credible Public Financial Management (PFM) are central to all budget support programmes and can be considered cross-cutting in nature. The overall objective of the PAR Budget Support Programme (BSP) was to improve the efficiency, accountability and transparency of the public administration of Georgia in line with the European Principles of Public Administration and following the PAR Roadmap 2015-20 and its Action Plan as called for in the SSF 2014-2017. The specific objectives were (i) to enhance policy development and coordination in the central public administration; enhance professionalisation of the civil service; (ii) to enhance accountability, integrity and openness in the public sector; (iii) to improve transparency, accessibility and the quality of services to citizens; and (iv) to strengthen the structures and processes of local governance and facilitate decentralisation reforms. In the early years of the BSP, support to PAR focused on five pilot Ministries – Ministry of Justice, Ministry of Agriculture, Ministry of Economy and Sustainable Development, Ministry of Health and Ministry of Education. In 2018, PAR was expanded to all Ministries.

Complementary Support (CS) provided capacity building and advisory services for policy development and monitoring, involved civil society (local and international NGOs, CSOs) and developed statistical data. CS also included Twinning for the Civil Service Bureau. Technical Assistance (TA) sought to strengthen the institutional capacity of the main stakeholders (Administration of Georgia - AoG, ministries, agencies, local authorities, and civil society) in the four areas targeted through the budget support component and also to improve the capacities of GEOSTAT and analytical units in the ministries to produce PAR-related statistics. To support the development of sound decentralisation policy within the area of local self-governance, TA was provided to public institutions and (through grants) to CSOs. TA also strengthened the strategic policy framework and the institutional capacities of the Ministry of Regional Development (MoRDI), local structures and civil servants. In addition, support was provided for communication and awareness-raising of the PAR process, mainstreaming of gender and minority issues into the PAR strategic framework and policies, and strengthening of the role of Civil Society Organisations (CSOs) in policy making and oversight.

In 2018, it was noted that, in line with the PAR Roadmap (2015-2020), the line ministries' monitoring and evaluation had significantly improved, with the support of the AoG.

The AoG, as the coordinator of PAR and of the BSP, displayed ownership of the implementation process and, overall mobilised well to carry out its responsibilities. However, the AoG experienced consecutive departures of its Head in April and July 2018, each time followed by reorganisation of services. The mobilisation of the Head of Policy Planning Department contributed to ensure continuity of the reform coordination. Civil Society Organisations and international partners monitored reform progress and maintained intense dialogue with national authorities throughout. However, increased attention and support to key measures is needed at high level, and institutional capacity still requires strengthening. Slow improvement of capacity may in part be explained by the limited and non-institutionalised financing to professional development, working conditions and in part by the effect of the restructuring of the central governmental apparatus in 2017-2018.

To summarise, there have been significant improvements in the capacity of all stakeholders to succeed in public administration reform, but much remains to be done. This impression is strengthened by the evidence presented in I-4.1.2.

<i>Evidence</i>	
Overall assessment of quality and credibility of evidence	Evidence consists mostly of information on aims and descriptions of support provided, not on actual results. Evidence is assessed as Weak .
<i>Sources of information</i>	<i>Evidence</i>
Note To Mr Lawrence Meredith, Director - DG NEAR C, Budget support eligibility assessment – disbursement of 2018 fixed and variable tranches – Support to the Public Administration reform in Georgia ("PAR") ENPI/2015/037-832, Tbilisi, 2018	Amongst the main achievements in 2018 were those relating to improved transparency and accessibility in public service provision, where a continuous improvement could be noted with regards to citizen's access to public services in rural areas, through 64 operational Community Centres (CCs), and the use of the modern Municipal Management System in 55 municipalities. User's satisfaction of services provided by Community Centres was noted as being high (98%), and shows an improvement in some of the shortcomings (e.g. queues) that were highlighted in 2017. There was also an appreciation of staff professionalism and the timely delivery of service (96%). Access to e-services also improved with the expansion of the portal (www.my.gov.ge) to legal entities as well. A public service quality assurance system was also established. There was still a slow improvement noted in institutional capacity which was partly explained by the limited and non-institutionalised financing to professional development, working conditions and in part by the effect of the restructuring of the central governmental apparatus in 2017-2018.
Note To Mr Lawrence Meredith, Director - DG NEAR C, Budget support eligibility assessment – disbursement of 2018 fixed and variable tranches – Support to the Public Administration reform in Georgia ("PAR") ENPI/2015/037-832, Tbilisi, 2018 OECD-Sigma's Baseline Measurement Report: the Principles of Public Administration, Georgia, May 2018 ³²	With regard to the development of institutional capacity at central level, there were significant improvements in policy development by the five pilot ministries and other institutions through the implementation of this PAR SRC. This positive result was also linked to a more "active mobilisation of the Administration of Government in carrying out quality checks on ministries' plans and reports.. The results of SIGMA's 2018 baseline assessment on policy development and coordination were presented to the PAR Council and line ministries in September 2018. This assessment was conducted against PAR principles applied to IPA countries (thus more ambitious) and served as a basis for the development of the Policy Planning area of the PAR Action Plan, 2019-2020, which was subsequently adopted. It is also a basis for sectoral policy dialogue and AoG mobilisation on the quality check of all strategic documents. Civil Service reform implementation has progressed but not as quickly as had earlier been expected. This is mainly due to the snowball effects of the important delays encountered at the initial stage of the reform in 2016, in particular with regards to the training system. As regards accountability, the assets declaration monitoring system functions properly. The establishment of the independent Commission for the selection of declarations to be checked (5%), the judicial follow-up given to irregular declarations as well as the

³² <http://www.sigmaweb.org/publications/Baseline-Measurement-Report-2018-Georgia.pdf>

	<p>increased public visibility of results are positive signs of credibility of the system. Despite the absence of Law on Freedom of information, citizens' access to information has increased (see SRC assessment of indicator 4.1 and 4.2).</p> <p>Finally, citizen's access to public service continued to improve over the period of the PAR SRC with the expansion of one-stop-shop centres for public services in rural areas, modernisation of municipal management as well as expansion of e-public services. The national public service strategy, which has been prepared, is expected to pave the way for a unified user-centric approach to public services, across all public institutions.</p>
<p>Note To Mr Lawrence Meredith, Director - DG NEAR C, Budget support eligibility assessment – disbursement of 2018 fixed and variable tranches – Support to the Public Administration reform in Georgia ("PAR") ENPI/2015/037-832, Tbilisi, 2018</p>	<p>The Dialogue with the Georgian authorities remained active in 2018 through regular meetings between the Delegation and the Administration of Government. The Head of Delegation discussed public administration reform at several occasions with the highest level of Government: Prime Minister.</p> <p>Vice-Prime Minister and Minister of Regional Development and Infrastructure, Ministers. The status of civil service reform has been specifically addressed between the Head of the Delegation and Prime Minister and Speaker of the Parliament on 12-13 December 2018. It was also on the agenda of meetings between the Head of Cooperation and Head of Administration of Government in July and September 2018, as part of general review of the national reforms' agenda and meeting of the PAR Council. PAR is also on the agenda of EU-Georgia Association Committee and the Justice Freedom and Security sub-committee meetings held in 2018 and spring 2019. Concerning the monitoring of the implementation of the different policies under PAR, Government-led thematic coordination groups met with EUD participation, at an increased frequency as of September 2018. The Delegation also held frequent meetings with the Administration of Government, Civil Service Bureau, pilot Ministries for in-depth follow-up of progress in their respective areas. The PAR donor coordination group continued to meet several times a year and this enabled defining joint policy analyses and enhance assistance coordination.</p> <p>The PAR Council is the steering platform for the PAR programme; it continued to meet twice a year, as foreseen. The PAR Council monitors the implementation of the PAR action plan as well as the fulfilment of specific conditions under this sector reform contract. However, as highlighted in the SIGMA mid-term review of the PAR Roadmap, the monitoring of the PAR should be strengthened. The working group to review the implementation progress of the programme in all components was suspended due to the huge challenge the AoG faces in performing its policy and coordination tasks with a still very limited number of staff. It resumed in May 2019. Two consecutive changes of the AoG top management, in April 2018 and in July 2018, affected its overall AoG functioning in 2018. However, the Delegation immediately established working contact with the new Heads of Administration.</p> <p>To mitigate this situation, the Delegation maintained permanent dialogue with AoG at technical level for the monitoring of the programme implementation as well as progress on the reform. Policy dialogue has been strengthened with pilot line ministries through the preparation of complementary support under this programme as well as through the consultations on the results of SIGMA baseline assessment exercise. The ongoing complementary support also reinforces this dialogue, through the twinning project supporting Civil Service Bureau, PAR technical assistance; whose objectives are directly linked to PA reform objectives and results monitoring. The upcoming support to civil society organisations (call ongoing) will enhance CSO engagement on PAR, further contributing to PAR monitoring and Government/CSO policy dialogue. Moreover, the progress in the public administration reform, given its transversal nature, was also addressed during dialogue on the monitoring of sectorial reforms as well the preparation and implementation of other EU-supported sectorial reform programmes.</p>

I-4.1.2 Trends in public confidence in government agencies and national institutions as evidenced by opinion survey results.

Despite the efforts at PAR described above, public confidence in public institutions has not strengthened. The 2018 OECD-Sigma report called attention to limited public scrutiny of government work and participation in policy making, lack of access to policy proposals (e.g., online), absence of formal and systematic requirements for public consultations. A USAID assessment cited over-concentration of power in the executive branch and insufficient engagement between government and the public in policy dialogue as factors undermining confidence. These concerns are reinforced by the Caucasus Research Resources Centre's Caucasus Barometer

Surveys, which show that the Georgian public confidence in such as the executive branch, the Parliament, the President, the police, political parties, educational institutions, and the justice system has steadily eroded. Importantly, the public confidence in the Georgian Orthodox Church, which for long time seemed to be the only constant in the country, was shaken significantly, due to multiple scandals, as well as pro-Russian and homophobic statements issued by many church leaders. Just as importantly, the data points at declining public confidence in the media and civil society. While in absolute terms the decline is not much, it is problematic, given the already low levels of public trust in these institutions. Despite declining public confidence in government institutions, the number of respondents who support the government's stated goal of joining the European Union and NAO remains high -- 82% and 74%, respectively in July 2019.

<i>Evidence</i>	
Overall assessment of quality and credibility of evidence	The availability of credible public opinion research in Georgia is good, and evidence for this indicator is assessed as Strong .
<i>Sources of information</i>	<i>Evidence</i>
OECD, "Trust in Government" ³³	The population's trust in public agencies and institutions can be affected by a variety of factors. However, according to OECD, there is strong evidence to suggest that "government's values, such as high levels of integrity, fairness and openness of institutions are strong predictors of public trust. Similarly, government's competence – its responsiveness and reliability in delivering public services and anticipating new needs – are crucial for boosting trust in institutions." Thus, measures that prevent and combat corruption and ensure open and direct participation of citizens in public decision-making processes are likely to contribute to improved public confidence in government agencies and institutions.
OECD-Sigma's Baseline Measurement Report: the Principles of Public Administration, Georgia, May 2018, p.8.	<p>According to the OECD/Sigma Baseline Measurement Report, which was completed as part of a joint initiative of the OECD and the EU and which has largely informed the EU's PAR efforts in Georgia, "[p]ublic scrutiny of government work and participation in policy making are limited. Information about new policy proposals and draft laws is not accessible to the public through a central online database. There is no formal requirement to consult publicly on new policy proposals and draft laws, and the process of public consultation on policies is not established. Although targeted stakeholder consultations have been conducted on selected policy proposals, using various working groups and inter-agency consultation mechanisms, there is no systematic practice of public consultation for new legal proposals."</p> <p>Public scrutiny of government work and participation in policy making are limited. Information about new policy proposals and draft laws is not accessible to the public through a central online database. There is no formal requirement to consult publicly on new policy proposals and draft laws, and the process of public consultation on policies is not established. Although targeted stakeholder consultations have been conducted on selected policy proposals, using various working groups and inter-agency consultation mechanisms, there is no systematic practice of public consultation for new legal proposals."</p> <p>[...][A significant portion of new laws initiated by the Government are amended within a year of enactment. This indicates that there are weaknesses in preparation, planning and analysis of laws, as well as in actual legal drafting practices.</p> <p>[...]</p> <p>The medium-term policy-planning system in Georgia is still in the initial stage of establishment, and there are shortcomings in implementation of related rules and procedures. The quality of government central-planning documents and sector strategies requires improvement, as key elements (such as outcome-level performance indicators and cost estimates) are missing, and these documents are not fully aligned with one another.</p>
USAID's Country Development Cooperation Strategy (CDCS) Georgia – 2020-2025, p. 10	The USAID's recently issued Country Development Cooperation Strategy for Georgia similarly notes problems with public confidence in government agencies and institutions and underscores the following: "[p]erhaps the most important challenge for democratic development in Georgia has been the concentration of power in the executive branch, which has exacerbated long-standing problems of political competition and accountability. Three other central and cross-cutting developmental challenges in the democracy and governance sector are: a lack of public trust and confidence in some state

³³ <https://www.oecd.org/gov/trust-in-government.htm>, accessed on October 30, 2021

institutions; insufficient government engagement and public dialogue; and, a wide gap in the development of democratic institutions between the center and the regions.”

CRRC-Georgia Caucasus Barometer (2008 – 2019 waves)

The data from CRRC’s Caucasus Barometer Surveys shows that the Georgian public is steadily losing confidence in government agencies and institutions, such as the executive branch, the Parliament, the President, the police, political parties, educational institutions, and the justice system. Notably, the public’s confidence of the Army, healthcare system, and local authorities, has remained unchanged throughout the evaluation period (although, trust in healthcare system peaked in 2015, but has been dropping to its previous levels since then). Figures below provide more detailed information about each of the public agency/institution noted in this paragraph.

Figure 1: Public trust toward government/executive branch (baseline and evolution)

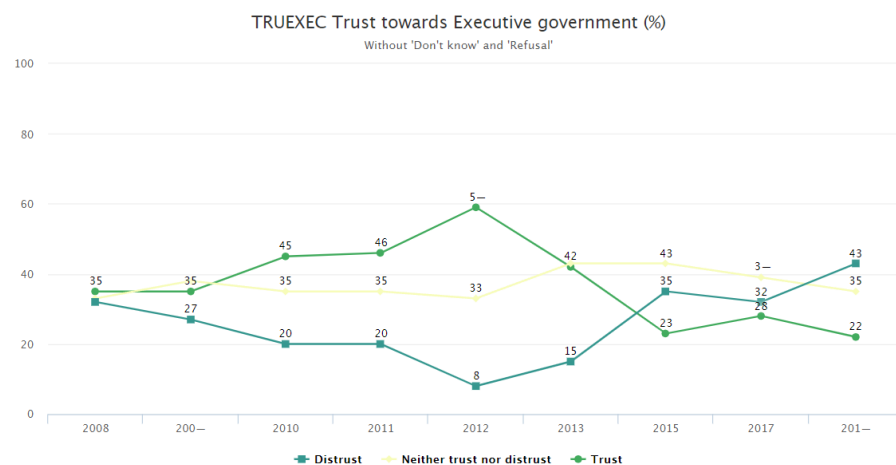


Figure 2: Public trust toward the Parliament (baseline and evolution)

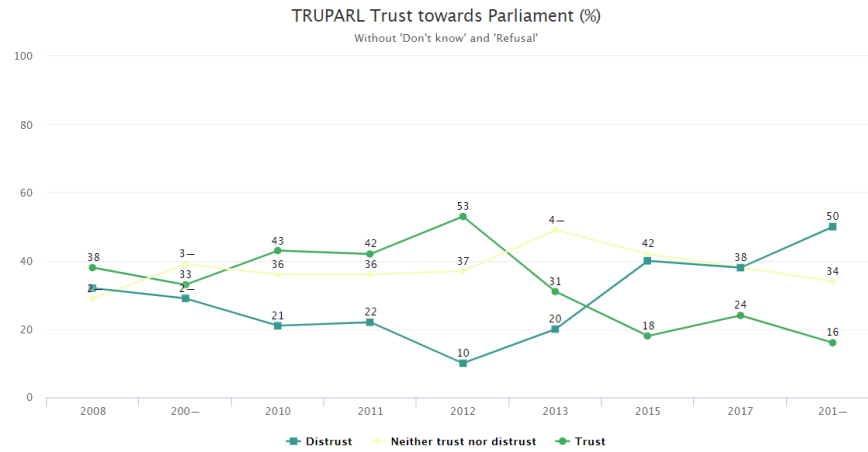


Figure 3: Public trust toward the police (baseline and evolution)

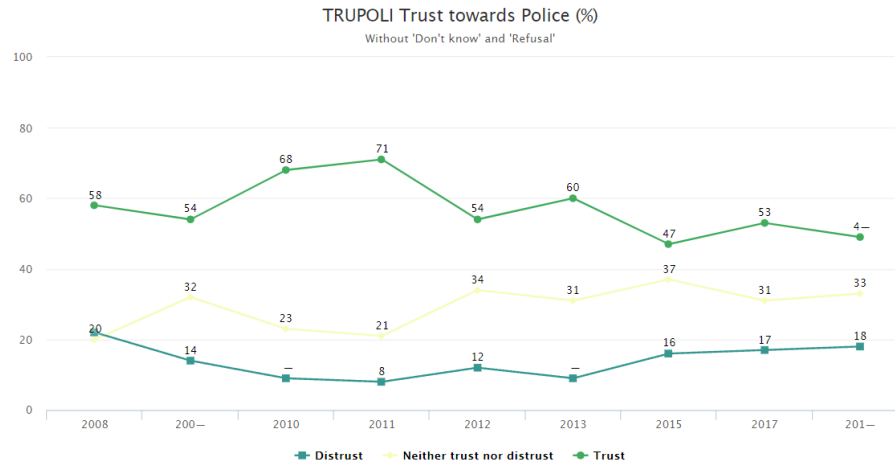


Figure 4: Public trust toward the President (baseline and evolution)

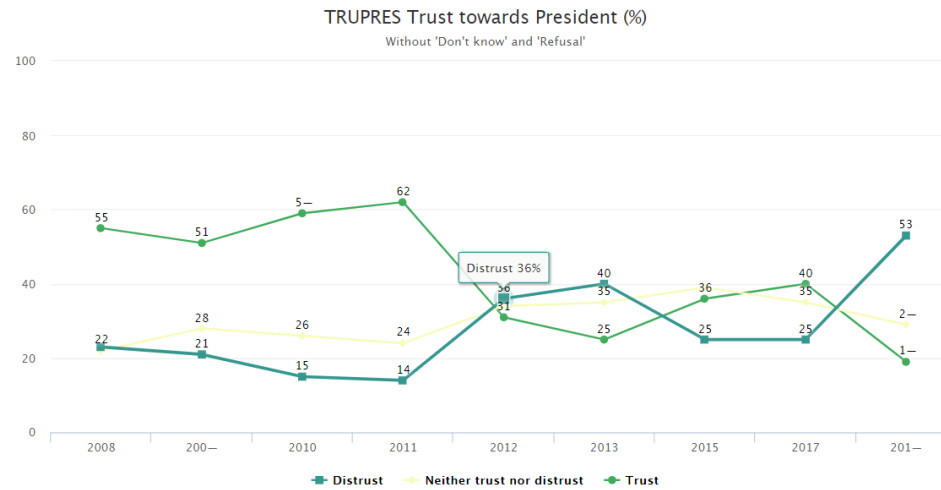


Figure 5: Public trust toward the educational institutions (baseline and evolution)

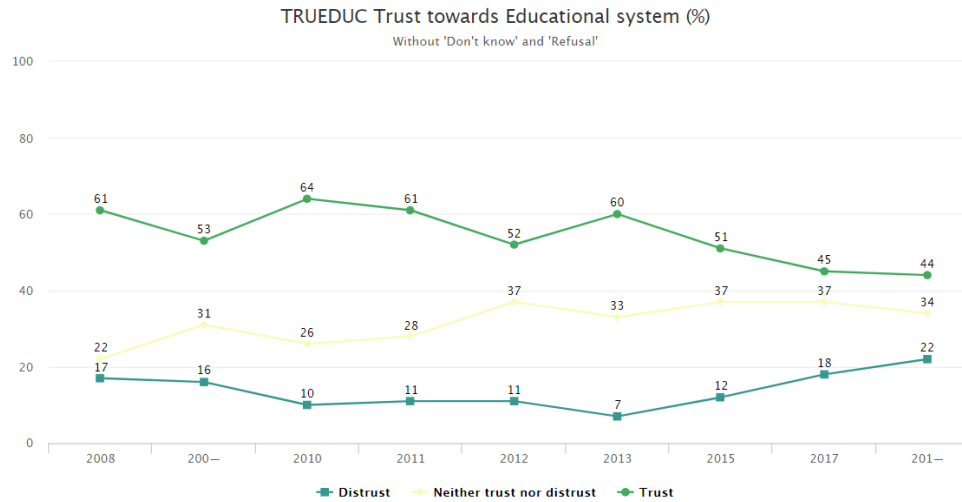


Figure 6: Public trust toward political parties (baseline and evolution)

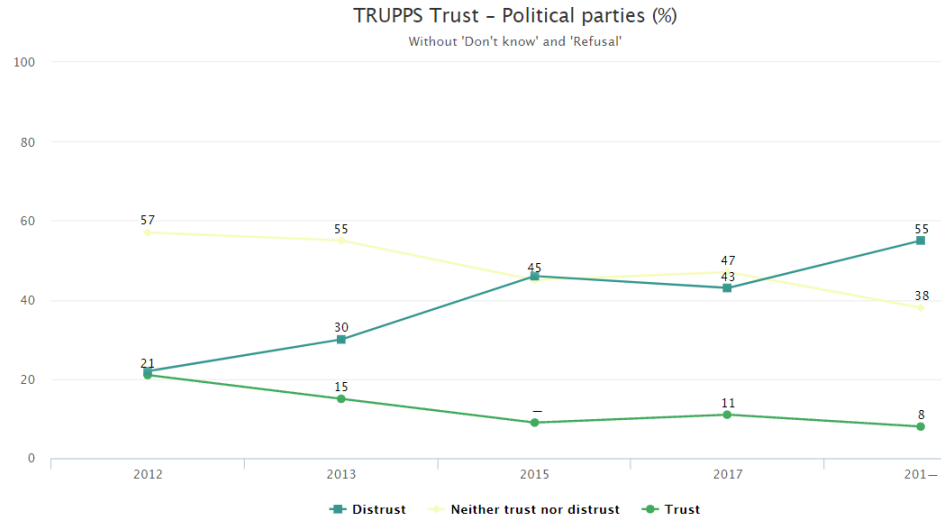


Figure 7: Public trust toward local authorities (baseline and evolution)

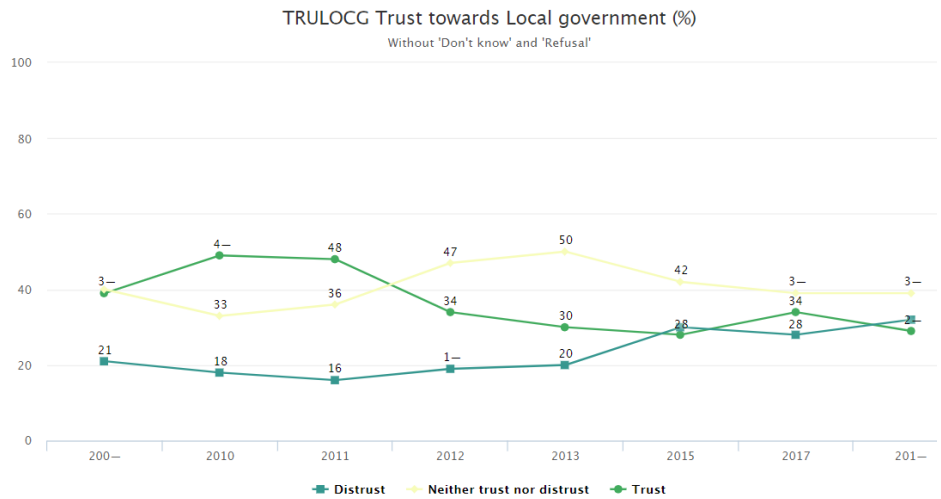


Figure 8: Public trust toward the Army (baseline and evolution)

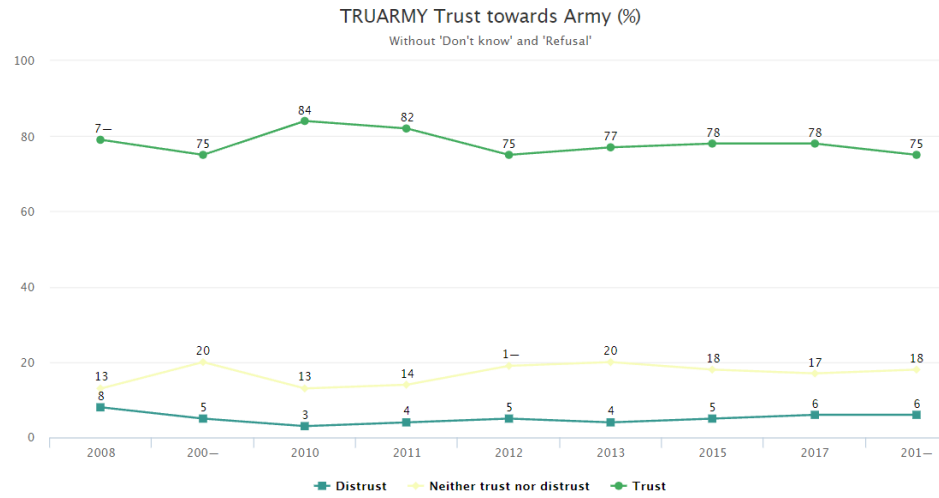


Figure 9: Public trust toward the healthcare system (baseline and evolution)

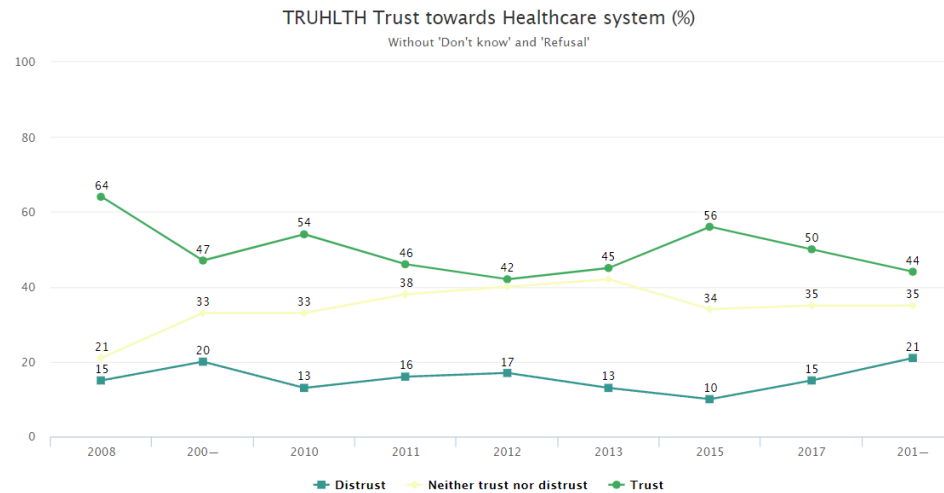


Figure 9: Public trust toward religious institutions (baseline and evolution)

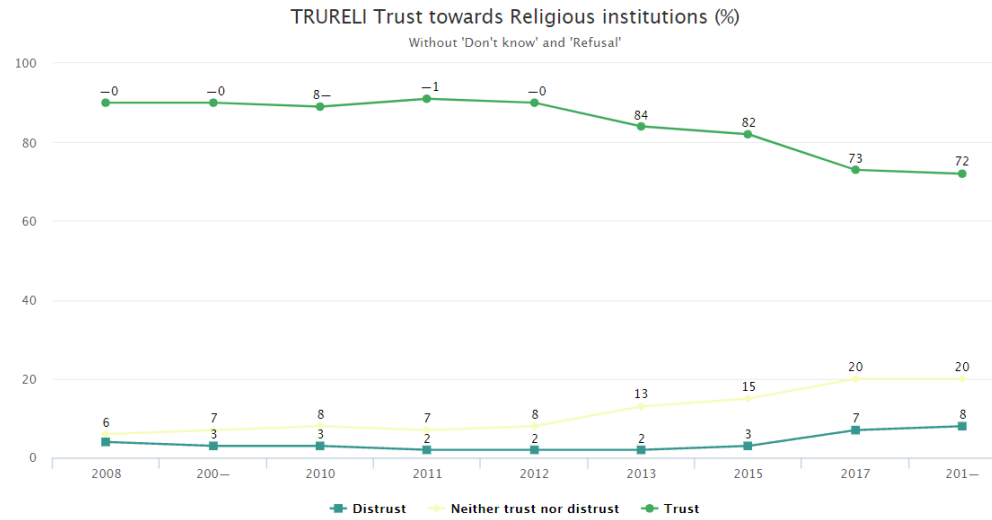


Figure 10: Public trust toward the media (baseline and evolution)

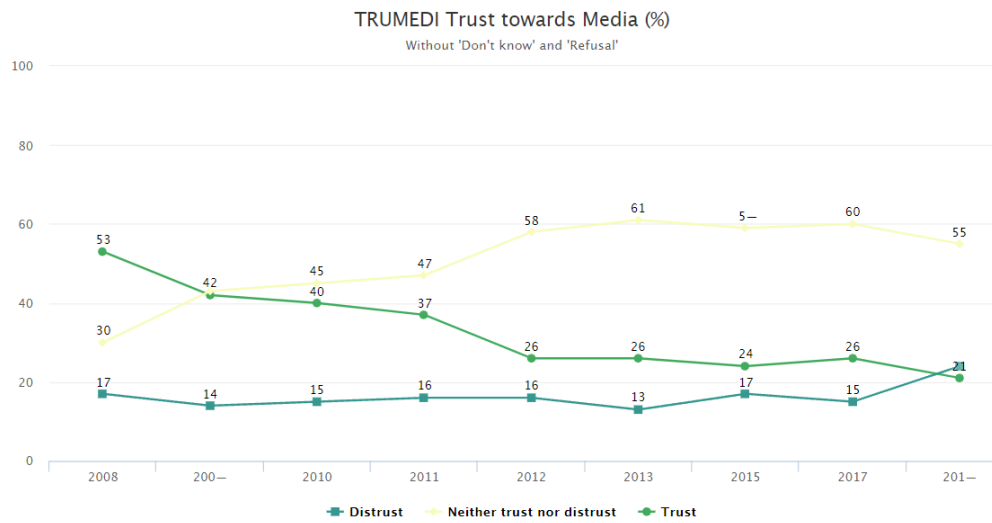
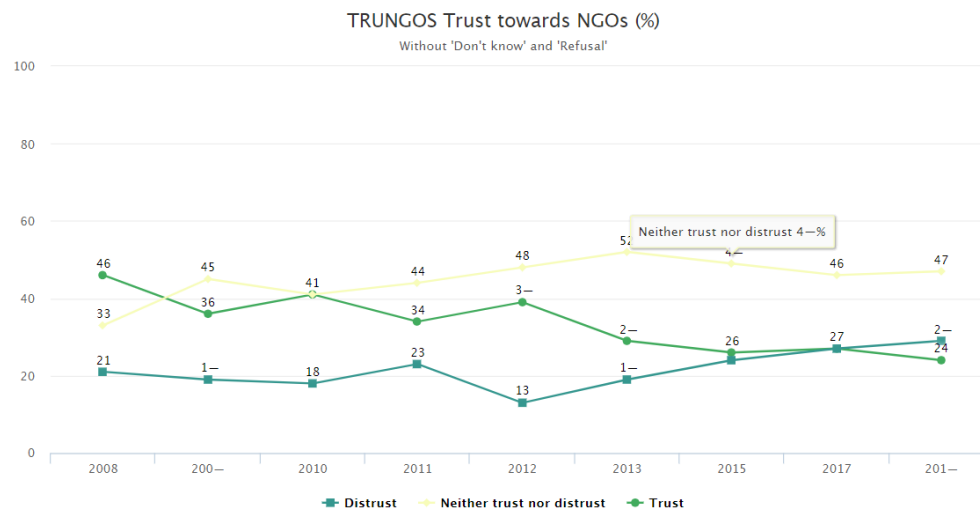


Figure 11: Public trust toward NGOs (baseline and evolution)



NDI (2020) “Declining Trust in Country’s Democratic Institutions; Georgians Negatively Assess Parliament’s Failure to Ensure Fully Proportional 2020 Elections”³⁴

It is alarming to see such low public approval of democratic institutions, and it does not bode well for the country’s future growth and stability,” said Laura Thornton, senior director. “It is incumbent upon all political leaders, but particularly those in power, to rebuild the public’s trust in the country’s governance and ensure the legitimacy of the upcoming election process, which is currently under question given the failure to adopt promised election system reform.

Public Opinion Survey: Corruption, Trust in Institutions and Issues of Public Policy in Georgia, Transparency International, 11 May, 2018

A Public Opinion Survey from spring 2018, conducted by the Caucasus Research Resource Center (CRR) covered issues related to corruption, trust towards state and public institutions, the performance of the main bodies of the government, significant public policy issues, and work of the media and non-governmental organisations. The following were the key findings: petty corruption: only 1% responded that they or their family members had been asked to give a bribe in return for receiving public service in the past 12 months; grand corruption: 36% responded that abuse of power for personal gain by public officials is common in Georgia, while 16% said that it is not common; compared to other state institutions, public trust towards Parliament and the judiciary is relatively low (trusted by only 17% and 20% of respondents, respectively); 58% of the respondents believed that the judiciary is under the influence of the ruling party, while 51% think that it is not impartial and 80% believe that judges who had been pressured into making unjust decisions in the past should not be allowed to continue to work in the judiciary; the majority of respondents believe that the Prosecutor’s Office (57%), the Ministry of Internal Affairs (55%) and the State Security Service (55%) serve the interests of the ruling party; only 30% of the respondents possessed accurate information about government optimisation in 2017 (reduction in the number of ministries) while in the opinion of 61% of respondents, the number of ministries should be further reduced.

Caucasus Barometer Georgia

National Democratic Institute – Public opinion survey

AD PAR

According to one author, trust in institutions in Georgia has been on the decline for a decade. For example, the level of trust in religious institutions declined from 86% in 2008 to 71% in 2019, with the decline being particularly prominent among Orthodox Christians, the main religious group in the

³⁴ <https://www.ndi.org/publications/ndi-poll-declining-trust-country-s-democratic-institutions-georgians-negatively-assess>

<p>PAR BS Contract</p> <p>Inception Report, 'Thematic Evaluation of IPA/ENI support to Public Administration Reform', EU, Brussels, 2016</p> <p>PAR Budget support eligibility assessment 2018</p> <p>Note To Mr Lawrence Meredith, Director - DG NEAR C - ENPI/2015/037-832,</p>	<p>country. Although there has been a decline in trust in most institutions, the decline has been starkest when it comes to political institutions. Newly released data from the Caucasus Barometer 2019 suggests this decline has continued, with the largest decline surrounding trust in the President, Salome Zurbashvili. Between 2017 and 2019, there were no major increases in trust in institutions. Concomitantly, there were five declines in trust beyond the margin of error. The largest decline in trust was in the president, a 21% drop, likely reflecting the change in president in 2018. Few approve of her performance, with only 12% reporting that they viewed her performance positively in a July 2019 NDI and CRRC survey. Aside from the president, there was also a decline in trust in both parliament and the courts (by 7%). There was also a decline in trust in the healthcare system and executive government of 6% and 5%, respectively. While this shows that in the short term, there has been a decline in trust in institutions, there are also notable mid-term trends when it comes to trust in political institutions. There was a high point in trust in the parliament and executive government in 2012, when the Caucasus Barometer survey took place shortly after the parliamentary elections which unseated the United National Movement. Similarly, there was an increase in trust in the presidency after the first wave of the Caucasus Barometer survey after Giorgi Margvelashvili was elected (The 2013 wave took place during the presidential election). However, these trends have since reversed, reflecting the growing dissatisfaction with the state of affairs in the country. While there have been several mid-term trends in the data, a longer perspective suggests that the fall in trust is a longer-term phenomenon, that it is larger than the administration of one political party or another. Trust in all the domestic institutions declined, with the exception of the army, and to a substantial extent, according to the Caucasus Barometer survey. Compared with 2008, trust in the President has declined by 35%, in the media by 30%, and in the Public Defender's Office and banks by 29% and 28%, respectively. Even the police force (which it notes is 'highly trusted'), experienced a drop of 5% since 2008. The average decline in trust overall was 17% between 2008 and 2019. (N.B. <i>Trust in political parties was first measured in 2012. Trust in local government was first measured in 2009. All other institutions were first measured in 2008.</i>) While this survey points to a fall in trust in institutions, data from other sources suggest that the population is increasingly concerned that Georgia is "heading in the wrong direction", with less people optimistic about the state of the country and with fewer satisfied with life. There has been a huge decrease in the belief that people can be trusted.</p> <p>Between November 19 and December 13, 2019 with the financial assistance of the UK Aid, nationwide face-to-face interviews (excluding Georgia's Russian-occupied territories) were conducted with 2,180 respondents According to the poll, the perception of the country's direction was at its lowest in a decade. The number of respondents who thought that Georgia was going in the "wrong direction" had increased to 53%, compared to 49% in July 2019. The percentage of respondents who thought Georgia was moving in the "right direction" stood at 19%, a 1% increase on the previous poll. 24% of respondents thought that there was no change in the country, a 6% drop compared to July 2019. According to the survey, 64% of respondents rated government performance as "bad," an increase of 15% compared to March 2018. Those who rated government performance as "good" represented 30% of the respondents, a 15% drop compared to March 2018.</p> <p>Institutions with the highest ranking performance were the army – 52% (53% in July 2019) and the Georgian Orthodox Church – 50% (64% in July 2019). 43% thought the police were 'good', 35% average and 19% as "bad" or "very bad." The respondents named the Courts (45%) and the Parliament (57%) as the lowest performing national institutions, with only 10% and 9% of positive evaluations, respectively. The ministries of Justice, Education and Defence were seen as the top performing ministries, assessed positively by 32%, 23% and 23%, respectively (Their performances were viewed as bad/very bad by 27%, 30% and 28%, respectively.) The Ministry of Economy and the Ministry of Finance received the lowest positive assessments, 10% and 8%, respectively: 42% thought the Ministry of Economy's performance as bad/very bad, and 38% for the Ministry of Finance. For nearly all ministries, compared to the March 2018 poll, the share of respondents viewing their performances as "bad" had increased. The number of respondents who support the government's stated goal of joining the European Union increased from 78% to 82% in July 2019. 74% of respondents approved the government's stated goal of joining NATO, up 3% from July 2019. (National Democratic Institute – NDI -, 16 January 2020, published its public opinion survey of December 2019, conducted by CRRC.</p>
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I-4.1.3 Trends in public perception of corruption and measures to reduce corruption

The signal achievement of the Saakashvili government was the virtual elimination of petty corruption, which had become the scourge of daily life. That accomplishment has been maintained; nonetheless, public perceptions of grand corruption remain high. A spring 2018 public opinion survey conducted by the Caucasus Research Resource Center (CRRC), found that only a trivial 1% responded that they or their family members had been asked to give a bribe in return for receiving public service

in the past 12 months; however, 36% responded that abuse of power for personal gain by public officials is common – more than twice the 16% who responded that it was uncommon. NGOs and OECD-anticorruption network reported risks of high-level corruption currently not properly addressed.

On international indices, Georgia continues to perform well. On the Transparency International index which measures perceptions of corruption in a country, in 2020, Georgia scored 56 out of 100 and was placed 45th out of 180 countries reviewed, up four places since 2012. The Corruption indicator of WBGI reached its highest level since 2007 (74 in 2016, 77 in 2017). The 2018 TI CPI shows a similar good trend, increasing by two points: Georgia scored 58 (56 in 2017) and appeared in 41th among 180 countries (46th in 2017), ahead of all ENI countries as well as 7 EU member states.

<i>Evidence</i>	
Overall assessment of quality and credibility of evidence	See assessment of evidence for I-4.1.2
<i>Sources of information</i>	<i>Evidence</i>
Transparency International Public Opinion Survey NDI public opinion survey Transparency International, 28 January 2021 (Georgia) Inception Report, 'Thematic Evaluation of IPA/ENI support to Public Administration Reform', EU, Brussels, 2016 PAR Budget support fourth tranche eligibility assessment 2018	On the Transparency International index which measures perceptions of corruption in a country, in 2020, Georgia scored 56 out of 100 and was placed 45th out of 180 countries reviewed, up four places since 2012. However, it was stated that anti-corruption reforms had stalled amidst political crisis and state capture. The spring 2018 public opinion survey conducted by the Caucasus Research Resource Center (CRRC), the following were the key findings: petty corruption: only 1% responded that they or their family members had been asked to give a bribe in return for receiving public service in the past 12 months; grand corruption: 36% responded that abuse of power for personal gain by public officials is common in Georgia, while 16% said that it is not common; compared to other state institutions. The fourth tranche disbursement report of the EUD found that the indicator related to improved accountability in the public sector through reduction of corruption and increased openness towards citizens (publication of a report on asset declaration) was fully met. The Corruption indicator of WBGI reached its highest level since 2007 (74 in 2016, 77 in 2017). The 2018 TI CPI shows a similar good trend, increasing by two points: Georgia scored 58 (56 in 2017) and appeared in 41th among 180 countries (46th in 2017), ahead of all ENI countries as well as 7 EU member states.

I-4.1.4 Trends in access to public information and openness and accountability mechanisms, e.g. through e-governance

Based on the fourth disbursement report of the EUD on PAR budget support, there have been improvements in openness and accountability. Public entities' answers to requests for information are now above 90%. Community Centres have been constructed and are operational. 55 municipalities use the Municipal Management System and nearly half are fully integrated into the e-governance portal www.my.gov.ge. Despite some negative comments by the Compliance Review Mission (disputed by the EUD), the civil servant asset declaration monitoring system functions credibly, with government reporting on the 2016 Action Plan as required by budget support conditionality. Citizens' access to information on public services has increased via the expansion of one-stop-shop centres for public services in rural areas, modernisation of municipal management, and expansion of e-public services.

<i>Evidence</i>	
Overall assessment of quality and credibility of evidence	While credible, the evidence presented below is based exclusively on the fourth disbursement report of the EUD. It should be broadened, e.g. by interviews with civil society regarding the overall openness and user-friendliness of government. The strength of evidence is assessed as Medium .
<i>Sources of information</i>	<i>Evidence</i>
AD PAR PAR Budget support eligibility assessment 2018 PAR BS Contract	<p>Accountability – In the transparency area, Georgia hosted the 4th international OGP summit in July 2018 and adopted the OGP action plan 2017-2018. Public entities' answers to requests for information have increased from 89% in 2016 to 90.8% in 2018 (these numbers cover all entities, ministries, LEPLs, municipalities, Governors' offices). Georgia continued to maintain its positive international ratings in the anticorruption area³⁵. NGOs and OECD-anticorruption network reported risks of high-level corruption currently not properly addressed. This issue is now addressed through policy dialogue at Justice, Freedom and Security subcommittee. (4th disbursement EUD)</p> <p>The assets declaration monitoring system functions properly. The establishment of the independent Commission for the selection of declarations to be checked (5%), the judicial follow-up given to irregular declarations as well as the increased public visibility of results are positive signs of credibility of the system. The identified challenges should be monitored and will be addressed through the ongoing EU-funded complementary support. Despite the absence of a Law on Freedom of Information, citizens' access to information has increased (see assessment of indicator 4.1 and 4.2). In addition, citizen's access to public services continued to improve over the period of the programme, with the expansion of one-stop-shop centres for public services in rural areas, modernisation of municipal management as well as expansion of e-public services. Satisfaction of Community centres' users remained high throughout 2016-2018. The national public service strategy is expected to pave the way for a unified approach to users-centric public services, across all public institutions. (4th disbursement EUD)</p> <p>With regard to improved transparency and accountability of civil servants, a baseline was used of 5.200 officials subject to submission of declarations. Regulations and legal decisions were needed to establish the procedures for the effective functioning of such a system of asset declaration, led by the Civil Service Bureau and involving the law enforcement agencies. A 2015 condition required that the Government publishes a report on the implementation of the action plan of the assets declaration monitoring system, which provides evidence that all cases of incomplete or inaccurate assets declarations submitted in 2017 had been subject to administrative or legal proceedings and, based on the degree of progress and/or delays in the implementation of the 2016-published action plan, identified the main areas for further actions. The PAR Council validated and published a report that met the requirements so the condition was fully met. (4th disbursement EUD)</p> <p>With regard to increased openness of the public administration towards citizens, the baseline noted that there are no consolidated statistics published by the Government, President or Parliament and the only available aggregated statistics are published by the IDFI, the latest showing that 86% of requests for information were answered (fully or partially) by the public institutions (central and local levels, LEPLs) (2015). The condition required the percentage of requests for information by the public which was answered by public entities during 2018, to be higher than in 2016. The target was that the percentage of answered requests for information was higher in 2018 than in 2016. The percentage of actual answered requests was 89.06% in 2016 and 90.8% in 2018 so the condition was fully met. (4th disbursement EUD)</p> <p>With regard to improved transparency and accessibility in service provision, the baseline was that 27 community centres are functioning in 25 municipalities, and 8 municipalities had been prepared for the e-Municipal Management System (2015). The condition was that a consolidated report, validated by the PAR Council, providing evidence that at least 64 Community Centres are constructed and fully operational and 55 municipalities use the Municipal Management System (out of which 26 municipalities use the full functionalities of MMS1 and electronic services are integrated in the national citizen's portal (www.my.gov.ge). A report validated by the PAR Council, should provide evidence that at least 64 Community Centres are constructed and fully operational and 55 municipalities use the Municipal Management System (MMS) – out of which 26 municipalities use the full functionalities of MMS – and electronic services are integrated in the national citizen's portal (www.my.gov.ge). The actual report validated by the PAR</p>

³⁵ The Corruption indicator of WBGI reached its highest level since 2007 (74 in 2016, 77 in 2017). The 2018 TI CPI shows a similar good trend, increasing by two points: Georgia scored 58 (56 in 2017) and appeared in 41th among 180 countries (46th in 2017), ahead of all ENI countries as well as 7 EU member states.

	<p>Council showed that 64 centres are fully operational, 55 municipalities use MMS, out of which 26 use the full set of functionalities, Municipal Management System (MMS), and e-services are integrated in www.my.gov.ge. So the condition was fully met. (4th disbursement EUD)</p> <p><u>Improved accountability in the public sector through reduction of corruption and increased openness towards citizens</u></p> <p>Indicator 4.1.3: "The Government publishes a report on the implementation of the action plan of the assets declaration monitoring system. The report provides evidence that all cases of incomplete or inaccurate assets declarations submitted in 2017 have been subjected to administrative or legal proceedings and, based on the degree of progress and/or delays in the implementation of the 2016-published action plan, identifies main areas for further actions" The Delegation considers that indicator 4.1.3 is fully met.</p> <p>The experts of the Compliance Review Mission concluded that there was non-compliance, see Aide-memoire p. 62-68. The Aide-memoire concludes to a partial compliance albeit with high scoring (90%). It explains its 10% downgrading by the multiplicity of reports and documentation submitted, not all complying with formal requirement (in the case of one report received not validated by PAR Council) or not available in English. It also underlines the poor link of the CSB reports to the action plan for assets declaration monitoring. The aide memoire provides somehow confusing explanation, sometimes contradicting positions. In some cases, the aide-memoire provides subjective views that fall outside the scope of the benchmark.</p> <p>The Delegation does not share this part of the conclusions of the Review mission: as assessed above, the two reports validated by the PAR Council are sufficient to properly inform on the benchmarks. Relevant evidences submitted in Georgian could be checked by the Delegation and verified. The link between the assets declaration monitoring action plan and the reports is identifiable. Beyond simply reporting on the action plan, the PAR Council validated reports inform on the substance of the functioning of the asset declarations system and its directions of improvement, which is the overall objective of the action plan.</p> <p>The "Consolidated report" and its annexes "Report on the implementation of the Action plan of the Assets Declaration monitoring system" and "Supplementary report benchmark 4.1.3" detail the stage of achievement of this indicator. The first two reports were validated by the PAR Council on 27 March 2019, while the third was validated by the PAR Council by written procedure on 19 April 2019.</p> <p>In view of the above, the indicator is considered fully met. . (4th disbursement EUD)</p>
<p>The Principles of Public Administration, Baseline measurement report, Georgia, SIGMA, May 2018 (p.4)</p>	<p>While the Georgian Government acknowledges PAR as a priority," implementation of reforms in the policy development and co-ordination area has been slow. Not all planned reforms have been implemented purposefully over the past years. This has left challenges and gaps in the public administration, particularly in terms of the establishment and functioning of an effective policy development and co-ordination system".</p>
<p>PAR Budget support eligibility assessment, EUD, Tbilisi 2018</p> <p>Interview with EUD, Tbilisi, December 2021</p>	<p>To summarise recent assessments, there have been significant <u>improvements in openness and accountability</u>. Public entities' answers to requests for information are now above 90%, Community Centres have been constructed and are operational, 55 municipalities use the Municipal Management System, and nearly half are fully integrated into the e-governance portal www. my.gov.ge. Citizens' access to information and public services has improved via the expansion of one-stop-shop centres for public. The capacity of all institutions relevant to PAR has improved, but much remains to be done. Slow improvement of capacity may in part be explained by consecutive departures at short intervals of Heads of the AoG, the restructuring of central government in 2017-2018, limited and non-institutionalised financing to professional development, and working conditions leading to high staff turnover.</p> <p>Twining under the CS component of the SRC, PAR, was particularly successful, where experts from the Baltics, especially Lithuania, provided per-to-peer mentoring on such matters as asset declaration. The cooperation was seen as extremely useful as it provided relevant experience from another post-Soviet country, which was now independent.</p> <p>The PAR SRC was particularly weak at sub-national level, as was the earlier Regional Development programmes, where local authorities were not targeted. The recent EU4ITD, however, specifically focusses on pilot municipalities and capacity building to strengthen openness and accountability mechanisms at sub-national level. Support is also given to the National association of LAGs (NALAG), which helps to identify best practice at municipality level. Sub-grants to NGOs, to carry out monitoring of PAR (i.e. the financing and implementation process) also helps to increase awareness of public administration for municipalities, as well as develop PAR capacity within civil society. This was further supported by the Georgian NGO Centre for Training & Consultancy (CTC).</p>

Interview with D. Salome, CTC, December 2021,	CTC has been working on developing a toolkit for assessing the quality of public services at municipal level so that local governments are able to themselves assess the quality of the services that they are providing and compare this with the services being provided by other municipalities (introducing a notion also of competition). 24 grants have been provided to NGOs to strengthen civil society skills to advocate and to assist local authorities.
Interview with Head of PAR division, AoG, Tbilisi, 10 December 2021	Major changes occurred between 2016 and 2019 within the PAR Council, which meets annually. If in 2017 no CSOs participated, this had changed by 2019. CSOs now saw the Council as a platform for civil society organisations to advocate whereas this was not the view three years earlier. The EU through its budget support facilitated this change by making available grants for projects for CSOs to engage in monitoring the new PAR AP. The new AP for the PAR Strategy, 2022-2023, for the PAR Strategy covering the next five years, integrated local government issues across all pillars (following the earlier addition of a sixth pillars which focused on local government and the development of a decentralisation strategy. From the spring 2019, the 'open government partnership' was transferred from the MoJ to the AoG (with the creation of a new division working on PAR).
Interview with Head State procurement Agency (SPA), December 2021 Annual Reports, State procurement Agency (SPA)	A single electronic portal has been created by the SPA, linked to the e-Treasury system, which includes all procurements, public and private, and which provides for greater transparency, openness and accountability, The Head of the SPA noted that even defence expenditure is included as well as donor funding.

JC4.2 Strengthened PFM system

Strengthened PFM system overall and within individual components (e.g., budgeting, financial control, auditing) at central and sub-national levels.

I-4.2.1 Improved overall performance of the PFM system as evidenced by PEFA and other PFM assessments.

PFM plays a prominent role in the PAR Roadmap. A 'Public Financial Management Strategy, 2014-2017', was adopted by the Government at the end of 2013, to address the findings of the Public Expenditure and Financial Accountability (PEFA) assessment carried out in 2012. The next PEFA, carried out in 2017, as well as other assessments (e.g., by international organisations and business ranking agencies), showed the strengthening of the overall fiscal position, the establishment of a sound legal and regulatory framework for PFM, and tangible progress across a broad front. Areas in which improvement was observed included management and results-orientation of the budget and of public investment; International Public Sector Accounting Standards (IPSAS) and accounting and cash management reforms; tax and customs harmonisation with the EU acquis; macro-fiscal planning; public internal financial control; and supervision of private sector financial accounting and reporting. A new 'PFM Reform Strategy, 2018-2021' and Action Plan were published based on the results of the 2017 assessment after the publication of the 2017 PEFA review.

Other relevant PFM strategies and measures include: the Strategy of the State Audit Office (SAO), 2018-2021, which was adopted in December 2017 and the 'Road Map 2016–2022', elaborated by the State Procurement Agency (SPA) to ensure the gradual approximation of Georgian public procurement legislation with the EU acquis. Policy coordination and public participation operate via the PFM Council, which is open to members of the Parliament Committee as well as to representatives of Civil Society Organisations (CSOs) and of the international community.

Evidence

Overall assessment of quality and credibility of evidence	Based on the 2012 and 2017 PEFA assessments, evidence for this indicator is assessed as Strong .
<i>Sources of information</i>	<i>Evidence</i>
<p>Economic Governance and Financial Accountability, AD</p> <p>Public Administration Reform Roadmap, 2015-2020', Government Planning & Innovations Unit, Administration of the Government of Georgia, Tbilisi, 5 May 2015 and its Action Plan</p> <p>AD PAR Georgia, PEFA, Public Expenditure & Financial Accountability assessment', June 2018</p> <p>Public Financial Management Strategy, 2018-2021</p> <p>PAR Budget support eligibility assessment 2018</p>	<p>The results of PEFA and other assessments showed the strengthening of the overall fiscal position and the establishment of a sound legal and regulatory framework for PFM: PEFA and other assessments confirmed tangible progress in many areas of PFM. A sound legislative and regulatory basis for PFM was put in place with fiscal strengthening and consolidation.</p> <p>A 'Public Financial Management Strategy, 2014-2017', was adopted by the Government at the end of 2013, to address the findings of the Public Expenditure and Financial Accountability (PEFA) assessment, carried out in 2012. A new 'PFM Reform Strategy, 2018-2021', was published after the publication of the 2017 PEFA review (i.e. after validation and formal approval) by the Ministry of Finance (MoF), and covers institutional development and sub-sectoral strategies by the MoF and sub-ordinated entities. The strategy summarises the results achieved so far (evidenced by the assessment of international organisations and business ranking agencies) and includes, inter alia, the deepening of reforms in the following areas: management and results-orientation of the budget and of public investment; International Public Sector Accounting Standards (IPSAS) and accounting and cash management reforms; tax and customs harmonisation with the EU acquis; macro-fiscal planning; public internal financial control; and supervision of private sector financial accounting and reporting. The Strategy benefits from the active participation of civil society and other cooperating partners and includes a set of monitored performance indicators, together with a costed Action Plan. Furthermore, the PFM strategy remains an important component of the ongoing PAR Roadmap and contributes to the ongoing work led by the Administration of Georgia (AoG), the chief government administrative body, for strengthening the overall monitoring and evaluation framework.</p> <p>Other relevant PFM strategies and measures include: the Strategy of the State Audit Office (SAO), 2018-2021, which was adopted in December 2017; the GoG also recognised the need for improved financial oversight and follow-up of SAO recommendations; the 'Road Map 2016–2022', elaborated by the State Procurement Agency (SPA) to ensure the gradual approximation of Georgian public procurement legislation with the EU acquis.(See the Association Committee in Trade Configuration, as set out in article 145 of the AA). Government policies in the sector also follow the provisions of the Association Agreement (AA), including the Deep & Comprehensive Free Trade Area (DCFTA), while the EU-Georgia Association Committee in Trade Configuration requested the GoG to complete a set of actions in 2018 in the area of Customs, Sanitary and Phytosanitary measures (SPS), Technical Barriers to Trade (TBT) and Public Procurement; the Parliament has been revising internal regulations and procedures to better reflect the enhanced mandate granted by the 2017 constitutional amendments; policy coordination and public participation also operate via the PFM Council which is open to members of the Parliament Committee as well as to representatives of Civil Society Organisations (CSOs) and of the international community.</p>

I-4.2.2 Progressively improved transparency, accountability, and gender responsiveness of the PFM system, with enhanced opportunities for participation in the budget process from planning to implementation and monitoring.

Georgia is a standout performer in the area of budget transparency and oversight. The 2019 Open Budget Index³⁶, ranks Georgia as number five amongst the 177 assessed countries. There has been tangible improvement over the evaluation period: the OBI score was: 55 out of 100 in 2010, 66 in 2015, 66 in 2017, 82 in 2018, and 81 in 2019. Such progress puts Georgia ahead of other countries in the Neighbourhood and Western Balkans regions and confirms the capacity of past and ongoing EU-Georgia policy dialogue and cooperation to deliver strong results in a critical governance area. Parliament holds hearings on the State Audit Office's annual report as well as the report on the execution of the state budget. As a direct result of EU-Georgia policy dialogue and cooperation, the Ministry of Finance is now regularly making publicly available, in Georgian and in English, a 'Citizen's Guide to the State Budget'. Government is following up on recommendations provided

36 OBI; <https://www.internationalbudget.org/sites/default/files/country-surveys-pdfs/2019/open-budget-survey-georgia-2019-en.pdf>

by the State Audit Office and has committed to increased transparency also by providing implementation information in the documentation annexed to the annual budget execution report submitted to the Parliament. The main weaknesses of the system are the oversight function of the Parliament, limited public participation in the budget making process and capacity of civil society organisation to engage in a substantive policy dialogue. These weaknesses were targeted by the action "EU 4 Fiscal Governance and Accountability programme", creating opportunities for CSOs and business associations' engagement at the level of line ministries and in the Parliament.

While gender-based budgeting does not exist in a formal sense, the Parliament has prepared a detailed study examining the budget process from a gender perspective and has identified those areas with particularly high gender relevance.

Evidence	
Overall assessment of quality and credibility of evidence	Based on credible indices and international assessments, the evidence for this indicator is considered to be Strong .
<i>Sources of information</i>	<i>Evidence</i>
the Open Budget Index (OBI), published end-January 2018	In respect of transparency and oversight of the budget, the OBI ranked Georgia as number five amongst all the assessed countries. The OBI score was: 2010 (55), 2015 (66), (2017) 82 (p.38 Disbursement 2018) In particular, Georgia makes all key budget documents publicly available online in a timeframe consistent with international standards and confirms an increase of 14 points compared to the 2015 OBI score. Such progress puts Georgia ahead of other countries in the Neighbourhood and Western Balkans regions and confirms the capacity of past and ongoing EU-Georgia policy dialogue and cooperation to deliver strong results in a critical governance area.
Economic Governance and Financial Accountability, AD 'PEFA assessment', June 2018 PAR Budget support, disbursement 2018, eligibility assessment 2018	It can also be noted that the Parliament holds hearings on the SAO's annual report as well as the report on the execution of the state budget, and parliamentary hearings are timely carried out. The technical capacities of the Budget Office of the Parliament are progressing but more is needed to provide more timely services to all relevant Committees. As a direct result of EU-Georgia policy dialogue and cooperation, the Ministry of Finance is now regularly making publicly available, in Georgian and in English, a 'Citizen's Guide to the State Budget' which better inform citizens and media on budget planning and priorities. It is also worth noting that the Government is following up on recommendations provided by the SAO and has committed to increased transparency also by providing implementation information in the documentation annexed to the annual budget execution report submitted to the Parliament. The main weaknesses of the system are the oversight function of the Parliament, limited public participation in the budget making process and capacity of civil society organisation to engage in a substantive policy dialogue. These weaknesses were targeted by the following BSP, "EU 4 Fiscal Governance and Accountability programme", creating opportunities for CSOs and business associations' engagement at the level of line ministries and in the Parliament. (p.38 Disbursement 2018)
"Summary of work on GRB: Project to Support the Inter-Agency Commission on Gender Equality, Violence Against Women and Domestic Violence of Georgia (2017-2019), NIRAS, 2019; "Action Plan for Gender Responsive Budgeting: Institutionalizing GRB for effective and efficient resource allocation towards a better future for all, 2020-2023", Draft, NIRAS, March 2019; "Action Plan, Gender Responsive Budgeting 2020-2023", NIRAS, 2020)	<u>Gender budgeting</u> Work commenced in the spring of 2018, to conduct pilot work on preparing for Gender Responsive Budgeting" and how to apply such a gender analysis to budget programmes within the Georgian context, providing a case study for learning at the central level and to develop a strategy for introducing GRB within the current PFM system. Following a "high level GRB briefing" with key actors at Deputy Minister level and other senior public officials on 11th -13th April 2018, it was agreed that there would be a series of one-to-one high level advocacy and knowledge building meetings followed by workshops to build capacity within Working Groups to prepare the ground for work on GRB work in pilot sectors. Based on the selection of three pilot budget programmes with the Ministry of Justice, Ministry of Interior and the Ministry of Labour, Health and Social Affairs, a series of working groups were set up to build capacity in GRB and support the carrying out of pilot GRB analysis in the selected budget programmes in three workshops (in May, June and July). In parallel to the workshops, meetings were held with relevant actors in public institutions with the aim of building sustainable support for GRB. Between August and November the outcomes of the pilot analysis were consolidated and reports prepared. A shorter consolidated version of the reports was published as evidence of good practice in GRB analysis developed a methodology, as a basis for further GRB work. The first results of the pilot GRB exercise were integrated in the description of these budget programmes in the budget programme annex for 2019, with the intention of expanding the experience to other ministries in subsequent years. In addition to pilot work a study visit to Austria (Vienna) contributed to the development of a practical knowledge-base in this field

<p>2015 Support to Justice sector, Budget Support Programme, annex 4 assessment of budget transparency</p>	<p>Since 2005, the Government has regularly published the annual State Budget Law and quarterly/annual budget execution reports on the MoF website (www.mof.ge). The published material contains not only general budgetary data but also detailed information on revenue sources and budget appropriations by spending agencies. The annual budget law also contains information on state transfers to local self- governments as well as public debt targets. In addition, the Government prepares a medium term expenditure framework ((Basic Data and Directions (BDD) document introduced in 2005), which contains multi-annual fiscal targets and expenditure ceilings for the following 4 years. Since 2009, the BDD and the draft annual Budget law are submitted to the Parliament in a single package for approval. The BDD is also available to the public through the MoF website.</p> <p>According to the report released by the International Budget Partnership in January 2013, Georgia scored 66 out of 100 in the Open Budget Index (OBI) 2015, which was 11 points higher than the score for 2012.</p> <p>In the interim, the MoF had taken steps to improve budget transparency, including working on the development of a Citizens' Budget, wider public consultation during the budgeting process and the publication of more frequent reports on budget performance. Despite a generally strong oversight of planning and implementation of the national budget, there is a need to strengthen further the oversight powers of the Georgian Parliament and the Supreme Audit Office (SAO).</p> <p>The EU, GIZ and other donors are providing technical assistance to the Parliament and the SAO, for strengthening financial oversight and accountability. As a result, the Delegation considers that the general condition related to the budget transparency has been fully met over the reporting period.</p>
<p>Disbursement Note, ENPARD II, final tranche, Budget Support eligibility assessment: PFM, July 2019</p>	<p>The Open Budget Index (OBI) published end-January 2018 ranked Georgia as number five amongst all the assessed countries. In particular, all key budget documents (31) were publicly available online in a timeframe consistent with international standards and confirmed an increase of 14 points compared to the 2015 OBI score. Such progress put Georgia ahead of other countries in the Neighbourhood and Western Balkans regions and confirmed the capacity of past and ongoing EU-Georgia policy dialogue and cooperation to deliver strong results in a critical governance area. It was noted that the Parliament held hearings on the SAO's annual report as well as the report on the execution of the state budget, and parliamentary hearings were timely carried out. The technical capacities of the Budget Office of the Parliament were progressing but more is needed to provide more timely services to all relevant Committees. As a direct result of EU-Georgia policy dialogue and cooperation, the Ministry of Finance regularly makes publicly available, in Georgian and in English, a 'Citizen's Guide to the State Budget' which better informs citizens and media on budget planning and priorities. The Government also follows up on recommendations provided by the SAO and committed to increased transparency also by providing implementation information in the documentation annexed to the annual budget execution report submitted to the Parliament. The main weaknesses of the system are the oversight function of the Parliament, limited public participation in the budget making process and capacity of civil society organisation to engage in a substantive policy dialogue. The mentioned weaknesses were targeted by the "EU 4 Fiscal Governance and Accountability" Programme, which aimed to create opportunities for CSOs and business associations' engagement at the level of line ministries and in the Parliament.</p>
<p>Transparency International, Georgia, 2020³⁷</p>	<p>In terms of the perceived levels of public sector corruption, in accordance with the transparency index, Georgia was marked 56/100 and ranked 45 out of 180 countries (and improvement of 4 since 2012)</p>

I-4.2.3 Effective policy dialogue between the EU and the Government of Georgia on PFM issues

There have been regular dialogue meetings between the EUD (Head of Cooperation) and the Administration of Georgia . The Head of Delegation discussed PAR/PFM with the highest level of Government (Prime Minister, Vice-Prime Minister) as well as at sector Minister level.. PAR is also on the agenda of EU-Georgia Association Committee and the Justice Freedom and Security sub-committee meetings. At a more technical level, Government-led thematic coordination groups met with the EUD frequently. The Delegation also held frequent meetings with the Administration of Government, Civil Service Bureau, pilot Ministries for in-depth follow-up of progress in their respective areas.

³⁷ <https://www.transparency.org/en/cpi/2020/index/geo#>

Difficulties encountered included understaffing of the Administration of Georgia, which resulted in suspension of the working group to review the implementation progress of the PAR/PFM programme and, at least in 2018, changes in top management followed by reorganisation. To mitigate this situation, the Delegation maintained permanent dialogue with AoG at technical level for the monitoring of the programme implementation as well as progress on the reform.

<i>Evidence</i>	
Overall assessment of quality and credibility of evidence	Most evidence concerns PAR, not PFM; therefore, for purposes of this indicator, it must be assessed as Weak . At the same time, the effectiveness, unlike the quantity, of policy dialogue is notoriously difficult to judge from documents.
<i>Sources of information</i>	<i>Evidence</i>
Note for attention of Mr. Laurence Meredith, DG NEAR C From Head of Delegation, EUD, Tbilisi, Disbursement of Third Instalment, PFPR, 2018	Policy dialogue on the alignment with the EU fiscal governance was continued during a conference in May 2017, summarizing 10 years of EU support to public finance management reforms. In bilateral discussions with the representatives of DG Near C1, high level officials of the MoF expressed their readiness to follow best practise applied by the EU member states. Namely, the establishment of independent Fiscal Council is envisaged and is expected to be empowered to confirm compliance of government budgets plans with the general fiscal rules established by Georgian legislation. The EUD met regularly with the MoF to discuss progress with both the PFM reforms and with the PFPR conditions.
Action Fiche for support to PFPR, AAP, 2013, pp4-5	Experience from previous programmes highlights, on the one hand, the importance of being realistic and progressive in the development of public finance reforms, and the role of institutional capacity building and, on the other hand, the capacity of budget support to contribute to sustaining the on-going policy dialogue as a necessary element for achieving stated objectives of the reforms. Regular discussion were maintained between the EUD and the MoF on the PFM strategy and the PFM reforms.
Note for attention of Mr. Laurence Meredith, DG NEAR C From Head of Delegation, EUD, Tbilisi, Disbursement of Third Instalment, PFPR, 2018	The Delegation recommends continuation of the policy dialogue in the subject. Future PFM reform in medium term planning/budgeting should further enlarge the scope of budget while encompassing all actions implemented by the line ministries. Ministry action plans should also contain more detailed measures/costs per activity. In addition the share of general administrative expenses should have decreasing trend that will indicate that the size of unallocated/unattached expenses is diminishing.
Action Document for EU4EGFA, AAP 2018, pp. 4,7,13	The EU is a leading partner of Georgia in the area of public finance and Georgia-EU collaboration via Budget Support programmes which started in 2007 were followed by a second phase in 2010. Building on shared interests and on increasing successful cooperation in this policy area, the most recent Georgia-EU programme was successfully completed in December 2017. Past EU and international support focused on putting in place the foundation of good public finance management practices and institutions. The EU4EGFA enters into high level policy dimensions of public finances involving stronger checks and balances via improved economic governance and accountability. Priority areas for support were defined and confirmed also via sustained past and ongoing policy dialogue. Policy dialogue and cooperation confirm good progress in PFM reform but point also to the need to move the dialogue to a higher, more political level and work on the checks and balances system. This includes a need to strengthen the capacity of the Parliament to fully exercise its oversight function on the budget and increase fiscal accountability.
Note To Mr Lawrence Meredith, Director - DG NEAR C, Budget support eligibility assessment – disbursement of 2018 fixed and variable tranches – Support to the Public	The PAR Council is the steering platform for the PAR programme and monitors the implementation of the PAR AP. However, two consecutive changes of the AoG top management, in April 2018 and in July 2018, affected the overall functioning of AoG in 2018 and the EUD immediately established working relations with the new Heads. To mitigate the situation, the EUD maintained permanent dialogue with AoG at technical level for the monitoring of the programme implementation as well as progress on the reform. Policy dialogue has been strengthened with pilot line ministries through the preparation of complementary support under this programme as well as through the consultations on the results of SIGMA baseline assessment exercise. The ongoing Complementary Support also reinforces this dialogue,

<p>Administration reform in Georgia ("PAR") ENPI/2015/037-832, Tibilisi, 2018</p>	<p>through the Twinning project supporting the Civil Service Bureau and through TA for PAR, whose objectives are directly linked to PA reform objectives and results monitoring. The support to civil society organisations (through a CfP) enhances CSO engagement on PAR, further contributing to PAR monitoring and Government/CSO policy dialogue. Moreover, the progress in the public administration reform, given its transversal nature, was also addressed during dialogue on the monitoring of sectorial reforms as well the preparation and implementation of other EU-supported sectorial reform programmes.</p>
<p>'Support to Public Finance Policy Reforms' (PFPRP)</p> <p>Economic Governance and Financial Accountability, AD</p> <p>PAR Budget support eligibility assessment 2018</p>	<p>The Strategy of the State Audit Office (SAO), 2018-2021, was adopted in December 2017 and recognised the need for improved financial oversight and follow-up of SAO recommendations. In this respect, the EUD is actively supporting policy dialogue and exchanges aimed at reinforcing the quality of reviews and follow-up of external audits and the participation of civil society in economic governance discussions.</p> <p>Dialogue with the Georgian authorities remained active in 2018 through regular meetings between the EUD and the AoG. The Head of Delegation discussed public administration reform on several occasions with the highest level of Government: the Prime Minister, the Vice-Prime Minister and the Minister of Regional Development and Infrastructure and other ministers (e.g. Finance, Education Science Culture and Sports, Justice, IDPs Labour, Health and Social Affairs). The status of civil service reform was specifically addressed between the Head of the EUD and the Prime Minister and the Speaker of the Parliament on 12-13 December 2018. It was also on the agenda of meetings between the Head of Cooperation and Head of Administration of Government in July and September 2018, as part of general review of the national reforms' agenda and meeting of the PAR Council. PAR is also on the agenda of EU-Georgia Association Committee and the Justice Freedom and Security sub-committee meetings held in 2018 and spring 2019. Concerning the monitoring of the implementation of the different policies under PAR, Government-led thematic coordination groups met with EUD participation, at an increased frequency as of September 2018. The Delegation also held frequent meetings with the Administration of Government, Civil Service Bureau, pilot Ministries for in-depth follow-up of progress in their respective areas. The PAR donor coordination group continued to meet several times a year and this enabled defining joint policy analyses and enhance assistance coordination.</p> <p>The PAR Council is the steering platform for the PAR programme; it continued to meet twice a year, as foreseen. The PAR Council monitors the implementation of the PAR action plan as well as the fulfilment of specific conditions under this sector reform contract. However, as highlighted in the SIGMA mid-term review of the PAR Roadmap, the monitoring of the PAR should be strengthened. The working group to review the implementation progress of the programme in all components was suspended due to the huge challenge the AoG faces in performing its policy and coordination tasks with a still very limited number of staff. It resumed in May 2019. Two consecutive changes of the AoG top management, in April 2018 and in July 2018, affected its overall AoG functioning in 2018. However, the Delegation immediately established working contact with the new Heads of Administration.</p> <p>To mitigate this situation, the Delegation maintained permanent dialogue with AoG at technical level for the monitoring of the programme implementation as well as progress on the reform. Policy dialogue has been strengthened with pilot line ministries through the preparation of complementary support under this programme as well as through the consultations on the results of SIGMA baseline assessment exercise. The ongoing complementary support also reinforces this dialogue, through the twinning project supporting Civil Service Bureau, PAR technical assistance; whose objectives are directly linked to PA reform objectives and results monitoring. The upcoming support to civil society organisations (call ongoing) will enhance CSO engagement on PAR, further contributing to PAR monitoring and Government/CSO policy dialogue. Moreover, the progress in the public administration reform, given its transversal nature, was also addressed during dialogue on the monitoring of sectorial reforms as well the preparation and implementation of other EU-supported sectorial reform programmes.</p> <p>The renewed political programme of the Government in July 2018 reflects the Government's attention to the reforms of the public administration. Nevertheless, political support by the Government remains crucial for the proper implementation of the programme until its end in 2021 and sustainability of the reform.(Disbursement EUD, 2018)</p>

I-4.2.4 Improvements in budgeting, financial control and procurement at national and sub-national levels

The overall picture appears to be positive, but is visible only in terms of processes being improved, steps being taken, etc. One strong piece of evidence for improvement is the positive 2018 PEFA assessment.

<i>Evidence</i>	
Overall assessment of quality and credibility of evidence	While information on commitments, objectives, and ongoing steps is abundant, information strictly related to results is thin, consisting of the . 2018 PEFA assessment and the PFM eligibility assessment from the 2018 disbursement report for FM Budget Support. In light of the slim base, evidence for this indicator is assessed as Medium .
<i>Sources of information</i>	<i>Evidence</i>
'Support to Public Finance Policy Reforms' (PFPRP) ¹ 'Support to Public Finance Policy Reforms', ENPI/2013/024-705, Action Document Economic Governance and Financial Accountability, AD	The main objective of the 'Support to Public Finance Policy Reforms' (PFPR) BSP was to improve efficiency, transparency and accountability of public finance policy and management, principally by directly and publicly involving a higher level of political and institutional responsibilities within the country's system of checks and balances. The programme envisaged the facilitation of a more informed oversight by non-state actors and citizens. The intervention built on earlier EU assistance to PFM during the period 2007-13, where two BSPs (also Sector Policy Support Programmes - SPSPs), extending over two phases with an overall total allocation of €27 million had focused on PFM and covered strategic budgeting, treasury reforms, establishment of external and inter audits and on the development of a modern Revenue Service with additional emphasis on sector management and the consultation process in the latter phase.
Disbursement of fixed and variable tranche 2018: PAR Budget Support, PFM, eligibility assessment	<p>The 2018 PEFA assessment shows stability or improvement in all areas of the PFM system. For the first time, the assessment also covered the sub-national level. The assessment underlines tangible results, such as "good progress in ensuring transparency of public finance in line with international standards; fiscal discipline and fiscal rules; a sound program based budgeting system for all levels of the general Government are strengthened with deepened inter-governmental fiscal relations; well-structured and fully integrated in-house developed electronic system (ePFMS) for Budgeting, Treasury and other related areas; impressive tax policy reform and sound tools for macroeconomic and fiscal analysis. In recent years, the Ministry of Finance has developed the capabilities to assess the aggregated fiscal risk enterprises and as such, it improved its financial oversight of the public sector". The consolidated report validated by the PAR Council shows specific achievements with full harmonisation with the three EU Directives - adoption of fiscal risk analysis assessment 2018-2021 to improve macroeconomic projection, amendment to the methodology of accounting to align with IPSAS standards, and strengthening of the legal and institutional framework for public private partnerships as well as for the pension system.</p> <p>Service delivery: Amongst the main achievements in 2018, continuous improvement could be noted with regards to citizen's access to public services in rural areas, through 64 operational Community Centres (CCs) and use of the modern Municipal Management System in 55 municipalities. Users' satisfaction of services provided by Community centres remained very high (98%), and showed improvement of some of the shortcomings noted in 2017 (such as queues, for example), and appreciation of professionalism of the staff and timely delivery of service (96%). Access to e-services also improved with the expansion of the portal (www.my.gov.ge) to legal entities. Public service uniform policy, establishing a quality assurance system was elaborated and was expected to be completed in 2019).</p> <p>Local self-governance: the initial "Vision for the Decentralisation" was jointly presented by Parliament and the Prime Minister to the general public and the international community in March 2018. The draft strategy was elaborated by the Ministry of Regional Development and Infrastructure (MoRDI) following a series of consultations until November 2018. The MoRDI published the draft on its website on 15 January 2019 and shared the action plan on 28 May 2019 for consultation with international partners. It organised coordination meetings twice in March and November 2018 and already once in 2019. The Strategy aims to grant more functions and finances to the local authorities through three dimensions i) increasing powers to local authorities, ii) fiscal decentralisation and iii) citizen involvement and transparency. Central and local authorities held regular institutional dialogue in 2018-2019; four meetings took place during the period.</p>

	<p><u>Policy financing</u></p> <p>An improved linkage between policies and the MTEF is an ongoing commitment of the Government. In 2018, the review by the IMF concluded that all quantitative performance targets were met. The ongoing Public Finance Policy reforms have positively contributed to the reflection of sector policies' implementation in the MTEF. Georgia provides extensive budget information, acknowledged in the latest Open Budget Index. The expenditures are grouped by spending units and provided according to economic/functional classification and by programmes (with some performance indicators). For the year 2018, budget and human resources for lead institutions (AoG, MoF, CSB, GEOSTAT, SAO, Parliament), remained globally stable. The small decrease applied to some institutions is linked to the Government general commitment to reducing administration costs by 10%. For the same reason, budget and staff allocation for the five pilot line ministries show 10% reduction in 2018 and a small forecasted increase for 2019. The CSB budget and staff allocation increased in 2018 with a forecasted budget increase for 2019, fully reflecting the policy priority.</p>
<p>Disbursement Note, ENPARD II, final tranche, Budget Support eligibility assessment: PFM, July 2019</p>	<p>Over the last decade, significant progress in the area of PFM has been achieved by Georgia, particularly concerning: introduction of medium-term planning and policy based budgeting, modernising external audit according to INTOSAI standards, rolling out rules and procedures for the establishment of internal financial control and audit, steps towards proactive transparency and citizens engagement in the budget process, strengthened rules and procedures for fiscal discipline, revenue mobilization and tax investigative functions. Georgia is often referred by international organisations (IMF, WB, other IFIs) as "frontrunner" of public management reform in the Eastern Partnership region based on its high scores in relevant international assessments (PEFA, PER, TADAT) and reviews of the Georgia's public finance systems.</p> <p>The State Procurement Agency (SPA) has elaborated a Roadmap to ensure the gradual approximation of Georgian public procurement legislation with the EU acquis. The document, albeit not covering EU standards on the award of concessions and on remedies, determines the approximation in five consecutive phases as set out in the schedule in Annex XVI-B of the Association Agreement (AA). These five phases are distributed over a seven-year period from 2016 to 2022 in compliance with the phases and time schedules set out in Annex XVI-B of the AA.. Domestic Revenue Mobilisation Fiscal policies of the government aim at fiscal consolidation, structural reforms aimed at promoting savings, private sector investment, and improved competitiveness, financing infrastructure investment, and building foreign exchange reserves over the IMF program period (2017-2020). Through the combination of prudent fiscal measures and a more favourable external environment, the fiscal results through 2018 were better than expected. The augmented deficit was 2.5 percent of GDP in line with the (adjusted) program target. The favourable outcome resulted primarily from revenue over performance, but lower budget lending also contributed. The strong revenue outcome was driven by lower losses from the SME tax reform and higher nontax revenues. VAT credit refunds more than doubled, reducing the stock of VAT credits by 0.9 percent of GDP, to 3.8 percent of GDP. The IMF's TADAT Performance Assessment Tool of July 2016, finds that the Georgian Revenue Service (GRS) is making good progress in implementing modern tax administration practices, particularly in utilising technology to modernise operations. International good practices are in place for areas such as taxpayer services and dispute resolution. Good practice is progressing in the areas of risk management, and is yet to be adopted in the case of value-added tax. Key areas for improvement are identified as follows: organisation-wide weaknesses in operational planning and performance monitoring of the GRS, flaws in the design and operation of the VAT refund system which result in accumulation of arrears, lack of control of the tax register, inadequate follow-up of non-filers, and a general failure to evaluate the impact of initiatives (such as through surveys and assessment of the impact of audit and compliance programs). Notwithstanding the above weaknesses, Georgia's tax revenue to GDP ratio at about 25 percent is based on an efficient tax system which ranks superior to most of the countries in the ECA region</p>
<p>PFM strategy, 2014-2017, and Action Plans³⁸</p> <p>Note for the Attention of Mr. Vassilis Maragos, Acting Director NEAR C, Disbursement of the First Instalment of EU SRC</p>	<p>The PFM strategy, 2014-2017, and yearly APs, replaced the PFM Policy Reform Vision for 2009-2013 and includes a description of the main PFM achievements, namely, the introduction of programme budgeting in 2009 within a multi-annual expenditure framework, the development of e-Treasury and e-Budget systems, which are interlinked software for budget planning and execution, as well as enabling the integration of the LEPL's accounts into the budget execution reports.</p> <p>The State Audit Office (SAO) had a Strategic Plan covering the period 2014 to 2017.</p>

³⁸ www.mof.ge, in Georgian

<p>Support to Public Finance Policy reforms (PFPR), EUD, Tbilisi, 2015;</p> <p>Assessment of the status of PFM in Georgia, EUD, Tbilisi, February 2015</p> <p>SAO strategy in Georgian and in English³⁹</p>	<p>In February 2015 the Government updated its anti-corruption strategy and elaborated an Action Plan for 2015-2016</p> <p>In-year budget and year-end budget reports, as well as audit opinions are published on the MoF and SAO websites.</p> <p>In terms of transparency and oversight of the budget, Parliamentary oversight of the budget process has improved with the establishment of a Budget Office (BO) as an independent entity within the Parliament, in 2015, and subsequent strengthening of the BO's institutional and human capacity.</p>
<p>Note for the Attention of Mr. Vassilis Maragos, Acting Director NEAR C, Disbursement of the First Instalment of EU SRC Support to Public Finance Policy reforms (PFPR), EUD, Tbilisi, 2015</p>	<p>In terms of improved policy-based budgeting, in 2015, the Ministry of Finance (MoF) had developed guidelines (covering a planning horizon, content, costing, monitoring and evaluation) for strategic/medium term planning within the context of the Medium Term Expenditure Framework (MTEF) for multi-annual budgeting. Sector action plans were presented by line ministries with inputs (called Medium Term Action Plans (MTAPs)), to the Basic Data and Directions (BDD) document and the MTAPs follow a standard format prepared by the MoF, which enables their consolidation into the final BDD. It was noted by the EUD (in 2015) that the content, costing and assessment (in particular monitoring & evaluation) over time needed to be strengthened together with the preparation process, in order to link more firmly budget to policies. The planning horizon consists of the budget year plus three outer years. While the expenditures allocations for the budget year are approved by Parliament, those for the outer years are presented to Parliament only for information. Nevertheless the guidelines underline the importance of the planning and costing of those outer years within the framework of national strategic planning and so that they can then be revised and approved by Cabinet.</p> <p>In terms of updating the methodology for programme budgeting (PB), the annual budget includes detailed revenues and expenditures projections for the following year and three outer years and expenditure projections are presented according to economic, administrative, functional and programme classifications. The programme classification is presented according to international good practice, organised by programmes and sub-programmes. While line ministries and spending agencies have applied a form of programme-based budgeting since 2012, improvements to the PB methodology continued.</p> <p>The MoF developed and updates quarterly a database (including data on actual revenues and expenditures) of Legal Entities of Public Law (LEPLs) that are managed by the Government or line ministries. The LEPL database exists and contains information about more than the 200 largest LEPL's. It includes companies' revenues and expenditures statements, balance sheet and debt position. The database is integrated in the e-Budget system of the MoF and is consolidated in the budget execution reports published by the ministry. From January, 2015 most of the LEPLs closed their accounts in the commercial banks and were integrated in the Treasury Single Account of the MoF.</p> <p>In terms of improved PIFC and audit, the Central Harmonization Unit in the MoF (together with assistance from SIGMA experts) developed Rules and Procedures for Financial Management and Control (FMC) in accordance with international best practice and set out a practical guide and rules for the start of implementation of the reform process in line ministers. The document covers the basics of FMC, specifies the needs for reporting and accountability and follows the model on internal control of the Committee of Sponsoring Organisations (COSO), and thus adheres to international good practice. The CHU also produced, and included as part of the FMC Rules and Procedures, an initial indicative plan and timetable for the implementation of FMC reform in 2015.</p> <p>Internal Audit units were established in all 16 line ministries at State level, in accordance with the PIFC law (Article 4), where the internal audit unit functions independently of other units in the entity and report only to the head of each entity.</p>

³⁹ <http://sao.ge/en/about-us/policy-and-strategy>

	<p>Strengthening of budgetary oversight, transparency and communication, the Budget and Finance Committee of the Parliament developed a work plan for 2015, on a quarterly basis, which is published on the Parliament website and includes the participation of Parliament-designated staff to the PFM Reform Coordination Council.</p>
<p>Note for the Attention of Mr Laurence Meredith, Director NEAR C (Neighbourhood East), Disbursement request of the Second Instalment of EU SRC Support to Public Finance Policy reforms (PFPR), EUD, Tbilisi, 2016;</p> <p>State budget for 2016 available on the MoF website⁴⁰</p> <p>Citizens Guide to the State budget available on the MoF website⁴¹</p>	<p>The main progress in 2015 was the drafting of key methodological documents in the field of strategic planning and programme budgeting as well as in Public Internal Financial Control.</p> <p>In terms of improved policy-based budgeting, at least 5 line ministries developed medium term strategies and action plans according to MoF guidelines; strategies are costed and included in the Basic Data and Directions document and in the annual budget law The MoF updated the Programme Budget Methodology (PBM) in 2015 and approved it by Minister's decree #385 of 14.08.2015. The methodology defines the planning horizon, format for the medium term action plan as well as methods for costing.</p> <p>Based on the PBM, five line ministries (the <i>Ministry Correction, Ministry of Labour, Health and Social Affairs, Ministry of Agriculture, Ministry of Education and Science and Ministry of Finance</i>) prepared medium term APs, which include detailed list of actions, expected results, performance indicators and costs per action respective documents and confirmed their alignment with the 2016 State budget</p> <p><u>The 2016 State Budget was presented according to the upgraded methodology and contains programme budgets for all line ministries. The 2016 State Budget is presented according to the upgraded methodology and contains programme budgets for all line ministries</u> The expenditure projections are presented according to economic, administrative, functional and programme classification Programme classification is presented according to international practice, organized in programmes and sub-programmes. Programmes are grouped under 12 priority areas of the government. Programmes and sub-programmes are budgeted for following and three outer years the PBM is applied in all line ministries and included in the 2016 State budget.</p> <p>Information on LEPLs actual revenues and outlays in submitted to the Parliament as the part of the quarterly state budget execution reports Quarterly execution reports for the state budget are regularly uploaded on the MoF website. For 2015, all 4 quarterly reports are available on the following address</p> <p>The "2016 Citizens Guide to the State Budget" is prepared by MoF and published (in Georgian and in English) on the MoF website by the end-December 2015. A Power Point presentation of the 2016 budget and the 2016 Citizen Guide to the State Budget in "PDF" format are available for download from the MoF web site in both Georgian and English language.</p> <p>Internal Control system is established and functioning according to "FMC Rules and Procedures" in all pilot line ministries. : In at least 12 line ministries, Internal Audit Units were completed and transmitted to the relevant line Minister, including financial and compliance audits, with examples of performance and system-based audits.</p>
<p>Note for the Attention of Mr Laurence Meredith, Director NEAR C (Neighbourhood East), Disbursement request of the Third Instalment of EU SRC Support to Public Finance Policy reforms (PFPR), EUD, Tbilisi, 2017;</p>	<p>10 line ministries developed medium term strategies and action plans according to MoF guidelines; strategies are costed and included in the Basic Data and Directions document and in the annual budget law The medium term action plans (MTAPs) for line ministries are prepared according to the Programme Budget Methodology of the MoF. The methodology defines planning horizon (4 years), format for the medium term action plan as well as methods for costing. The MoF reports that during 2016 all line ministries have abided to the requirement. At aggregate, sub-programme level the action plans identify agencies in charge, anticipated outcomes and terms for implementation, possible risks and financing table linked to budget codes.</p> <p>However, there remains a need for improvements as highlighted in the EUD PFM annual report with the reference to the SAO. Namely, certain ministries (Defence, Justice and Economy) failed to take the account of all the principles and procedures stipulated by the medium term planning framework. Also medium term action plans do not always capture all the elements of reforms, including EU support. This was mostly valid for multi-sectoral complex programmes (public administration reform, rural and regional development, vocational education and training, livelihood support for internally displaced</p>

⁴⁰ <http://mof.ge/4913>

⁴¹ <http://mof.ge/4787>

persons). The EUD recommended continuation of policy dialogue on this while future medium term planning/budgeting should enlarge the scope of the budget while encompassing all actions implemented by the line ministries and ministry APs should contain more detailed measures/costs per activity. In terms of strengthening govt accountability mechanisms, the MoF has, for the 2015, 2016 and 2017, produced a 'Citizen's Guide to the Budget' and has made it publicly available in Georgian and English languages via the ministry web-site.

The International Budget Partnership (IBP) recognised the progress that the government of Georgia had made, placing it among a grouping of high-scoring countries classified as substantially transparent (OBI score 66 out of a possible 100). In its December 2016 update, the International Budget Partnership (IBP) noted that the government of Georgia had published the Mid-Year Review and now makes eight out of eight key budget documents publicly available online in a timeframe consistent with international standards..

For last decade Georgia made significant progress in establishing a proper Public Internal Financial Control (PIFC) system by aligning it with international standards and with the organizational structure and approach recommended by the EU. As of 2016 internal audit units are established at all levels of government: 16 in line ministries, 9 at autonomous republics and governor's offices in regions, 76 in municipalities. Currently only 10 LEPLs have the function in their internal structure. The list of the LEPLs obliged to have internal audit units were enlarged and more internal audit units will be established in 2017-2018.

Through development partners' assistance regular training and capacity building activities of auditors are ongoing. During 2016 internal auditors received trainings in risk management, costs audit, information systems audit, performance audit and business continuity. According to "Rules and Procedures" of Financial Management and Control (FMC) should be implemented in three stages during 2015-2020. At the first stage of FMC, line ministries have to revise the organizational structure (as required), assigned relevant roles and responsibilities (programme managing departments, finance department, FMC coordinator, operational manager, service level agreement, etc.), training the relevant staff for FMC implementation.

In 2015, four line ministries have been identified for the first stage reform: Ministry of Finance, Ministry of Education and Science, Ministry of Economy and Sustainable Development and Ministry for Internally Displaced Persons. In 2016 additional four ministries have been included: Ministry for Regional Development and Infrastructure, Ministry of Defence, Ministry of Sports and Youth Affairs, Ministry of Labour, Health and Social Affairs.


The PIFC (Public Internal Financial Control and Audit) first stage reform changes are evident from the ministerial decrees approving respective structural changes and also from the annual reports prepared by respective units.

The second stage actions require further development of managerial control arrangements. According to the FMC manual, the manager at each hierarchical level has to set objectives (including measurement indicators) and take into consideration risks, ethical, accountability, compliance and resource safeguarding elements.

Based on assessment report produced by the review mission and the government, there is a limited evidence of stage two reforms.

During 2016, in eight line ministries internal audit units conducted performance audits and transmitted them to their respective minister (the transmission letters and audit reports are attached as the means of verification to the note). Review mission confirms that the audit reports are compliant with the performance audit manual and quality assurance was provided by the Central Harmonization Unit (CHU) from the MoF.

EQ5 - Justice, Rule of Law, democratic governance, and human rights

To what extent has EU support to Georgia contributed to strengthening justice, the Rule of Law, and democratic governance and human rights?		
Description/ Rationale	<i>Justice, Rule of Law, democratic governance, and human rights have been central concerns of EU cooperation both before and since the ground-breaking Hammarberg Report of 2013 set forth a roadmap of needed institutional and constitutional reforms for the newly elected government and those to follow. These have ranged from intensely operational concerns such as measures to combat ill treatment to structural reforms affecting independence and quality of the judiciary, access to justice, and the equality of arms. JC5.1 focusses mostly on the mechanics of how justice is done; covering issues such as legal aid, juvenile justice, and commercial justice. JC5.2 covers more structural issues such as independence of the judiciary, the balance of power between rights- and duty-bearers, and property rights, JC5.3 adds the dimension of democratic governance considered at the broadest level, including the level of trust in democracy itself as a form of governance.</i>	

JC5.1 Justice system strengthened

Justice system strengthened

I-5.1.1 Expanded access to justice (e.g., legal aid, court information systems, E-justice), especially among women and ethnic / linguistic / sexual minorities.

There has been significant progress on access to justice for women who are victims of GBV, ranging from the EU-supported training of a cadre of specialised prosecutors to awareness campaigns. Evidence shows that the number of complaints brought has expanded, as have the number of restraining orders and convictions. The problem of GBV remains serious, however, in rural regions where traditional attitudes persist and GBV is often regarded as a household matter to be addressed within the house. Harassment of and violence against the LGBTIQ community is serious despite international outcry, including by the EU, and the weak response of GoG comes close to making it possible to term this state-sanctioned violence. While informatisation of the court system has encountered persistent problems, it is still now possible for participants to track the progress of a case on the web. [See I-5.1.5 for further assessment of improvements in e-justice and a pessimistic view on the efficiency of the court system.] No information has been found on the propagation of laws, etc., in minority languages, but there appears to have been progress. On legal aid, there is no question: with EU support, the availability of legal aid has expanded.

<i>Evidence</i>	
Overall assessment of quality and credibility of evidence	Combined with evidence presented under I-5.1.5, the strength of evidence for this indicator is assessed as Strong .
<i>Sources of information</i>	<i>Evidence</i>
Report on implementation of AA in 2017	In relation to access to justice, procedures put in place by the High Council of Justice (HCoJ) for the appointment of judges and presidents of courts, as well as disciplinary procedures, lack full transparency and accountability. [...] In January 2017, jury trials, introduced at the Tbilisi City Court in 2010, were rolled out to other regions of Georgia and for more types of crimes.

2019 report on implementation in 2018	AA	In the course of 2018 Georgia upgraded its domestic legislation to fight violence against women and domestic violence in order to bring it closer to Council of Europe standards (Istanbul Convention). The referral of domestic violence cases to the police has further increased following awareness campaigns, a significant shift in public attitudes and the introduction of a Human Rights Protection Department in January 2018 by the Ministry of Internal Affairs. The Department works to enhance the capacity to investigate domestic violence and hate crimes. A high incidence of violence against women nonetheless persists.
2020 report on implementation in 2019	AA	The growing awareness and understanding of women's rights have led to more instances of gender-based violence being reported to the police, particularly by younger women. The number of restraining orders in favour of victims of domestic violence and violence against women had already increased by 75% from 2017 to 2018, and the number of convictions had also risen, by 65%, in the same period. Previously, victims of domestic violence needed a court decision in order to be accepted in a shelter, but that requirement was lifted in 2019.

I-5.1.2 Implementation of child-friendly justice sector reforms.

Juvenile justice reform has been one of the most successful areas of EU support. A reformed Juvenile Code was passed in 2016 and implementation, while occasionally slow, has proceeded ever since. There has been a dramatic decline in the number of juveniles in detention, and alternatives both to detention and to the dealing with children in conflict with the law through the criminal justice system have been increasingly used. There has been rather less progress on reform of the civil and administrative law systems (including family law) as they relate to children.

<i>Evidence</i>	
Overall assessment of quality and credibility of evidence	Progress in child-friendly justice has been heavily documented, and the evidence for this indicator is assessed as Strong .
<i>Sources of information</i>	<i>Evidence</i>
Report on implementation of Association Agreement in 2016	The entry into force of the Juvenile Justice Code in January 2016 provided a comprehensive legal framework for children facing judicial proceedings, child victims and child witnesses.
Report on implementation of AA in 2017	The implementation of the 2016 Juvenile Justice Code has continued, though some legislative gaps are to be further addressed, inter alia to ensuring free legal aid for child witnesses. In 2016, for the first time ever, the number of diverted children exceeded the number of prosecuted ones. Both the number of children in pre-trial detention and the number of convicted children steadily decreased as a result of wider use of alternative measures.
2020 report on implementation in 2019	In September, Georgia adopted a Child Rights Code which will fully enter into force on 1 June 2020. This umbrella document introduces legal grounds, safeguards, and guarantees for the realisation of overarching principles, rights and freedoms of the child. Furthermore, it provides legal guarantees for empowering the child in independently exercising and protecting his/her rights. [...] A multidisciplinary cooperation mechanism involving inter alia prosecutors, police officers, lawyers, social workers and psychologists was set up at central and regional levels to support the implementation of the Juvenile Justice Code . However, the judiciary has yet fully to adopt a child-sensitive approach.
UNICEF, Access to Justice for Children, 2017	"Child-friendly justice" refers to justice systems which guarantee the respect and the effective implementation of all children's rights at the highest attainable level, bearing in mind the principles listed below and giving due consideration to the child's level of maturity and understanding and the circumstances of the case. It is, in particular, justice that is accessible, age appropriate, speedy, diligent, adapted to and focused on the needs and

	<p>rights of the child, respecting the rights of the child including the rights to due process, to participate in and to understand the proceedings, to respect for private and family life and to integrity and dignity.</p> <p>In 2009, the Georgian Government adopted the State Strategy on Juvenile Justice System Reform which is updated on annual basis. The first phase of the reform introduced diversion and mediation programme, individualized approach to juveniles in conflict with the law and specialization of professionals. In 2015, the Juvenile Justice Code was adopted. The Code provides legal safeguards for children in contact with criminal justice system and mandatory specialization of professionals, prioritizes alternative measures to detention and diversion of juveniles from formal criminal proceedings, multidisciplinary approach and decision-making in the best interests and individual needs of children.</p> <p>In 2014, the State Strategy set an aim to broaden the scope of justice system reform and cover the rights of all children in contact with justice system in all areas of law. However, until the end of 2016, the reform was undertaken only in the field of criminal justice while in civil and administrative areas “access to justice for children is largely affected by their age and dependent status as well as by cultural perceptions of children’s place in society and within the family. Children have less knowledge, fewer financial resources and are generally less well equipped to deal with the complexity of the justice system, in all its forms. Children depend on adults to receive information about their rights, to navigate and understand available remedies, and to access justice forums and mechanisms”.</p>
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I-5.1.3 Alternatives to incarceration, ADR, probation effectively us

While the overall incarceration rate in Georgia remains high, it is much lower than it was at its peak pre-2012 change of government. Some of this is due to the mass release that occurred after the prison abuse scandal that led to the fall of government, but the use of alternatives to detention, probation, etc., has contributed to sustained declines in the incarceration rate. There has been considerable progress, supported by the EU and implemented by UNDP, on the use of ADR (arbitration and mediation). Several factors impede full utilisation of the reforms. One is the fact that court costs in Georgia are low, a positive factor for access to justice, but one providing little disincentive to plaintiffs, even vicious litigants, who insist on suing. A second is that there is residual suspicion from Soviet days that the outcomes of mediation and arbitration are pre-ordained by which side is favoured by the government. [On ADR, see also I-5.2.3.]

<i>Evidence</i>	
Overall assessment of quality and credibility of evidence	The overall trend synthesised above can be regarded with confidence. The evidence for this indicator is assessed as Medium .
<i>Sources of information</i>	<i>Evidence</i>
2015 report on implementation of ENP in 2014	While pre-trial detention has not been fully abolished, the August 2014 amendment to the Code of Administrative Offences, which reduced the maximum length of administrative detention from 90 to 15 days, is to be seen as an interim step towards strengthening the protection of human rights.
Report on implementation of AA in 2017	The imprisonment rate (257 per 100 000 inhabitants) is high. The educational and employment opportunities remain limited for prisoners in nearly all establishments. In March 2017, the parliament passed in the first reading a package of laws that envisage a number of changes to improve the situation of inmates, e.g. establishment of a new institution for preparing prisoners for release; more use of home arrest and higher education possibilities for low risk and to-be-released prisoners.

I-5.1.4 Prosecutorial and criminal investigation capacities increased.

Multiple donors, including the EU, have supported improvements in the efficiency of the court system, largely through informatization, and results to date have been disappointing. Some of the problems encountered are technical, and are not made easier by the involvement of two major donors (USAID and EU) in the provision of T systems that have proven incompatible. A recent IT audit recommended complete overhaul, perhaps to the point of starting over from a systems development point of view. As documented in the recent thematic evaluation of EU support for RoL in the Neighbourhood and Enlargement regions, Georgia is far from the only country where computerization has fallen short of expectations for a more efficient court system. Some of the problems may arise from staff resistance to changing a paper-based processes that, while inefficient, did manage to support the system. There has been progress in prosecutorial capacities, documentable in the case of specialised tasks such as the prosecution of GBV offences. There remain serious issues about the powers of the State Investigation Service, asked with the investigation of matters involving public officials. No information has indicated that there has been a significant improvement on the poor capacity of criminal investigators, leading to improper overlap between the role of the prosecutor and investigator (i.e., in effect the roles of prosecutor and detective merge, a clear breach of the Rule of Law).

<i>Evidence</i>	
Overall assessment of quality and credibility of evidence	While an overall improving trend can be documented, the quality of evidence for this indicator is assessed as Medium .
<i>Sources of information</i>	<i>Evidence</i>
Report on implementation of AA in 2017	In early 2017, the prosecutorial strategy, the new ethics code and an appraisal system for prosecutors were adopted. Related action plans and management and monitoring tools are now to be drafted. An appraisal system for the majority of prosecutors is being developed. The drafting of a transparent system of merits-based rewards (promotion, salary increase etc.) is pending. The constitutional amendments should further increase the independence of the Prosecutors Office from the Ministry of Justice.
Compliance Review – EU Budget Support Programme – Support to the Justice Sector Reform in Georgia Framework Contract EuropeAid/132633/C/SER/Multi Lot 7: Governance and Home Affairs Letter of Contract N° 2016/372992	Improving the working environment of the Prosecution Service and strengthening the system of raising motivation of prosecutors: <ul style="list-style-type: none"> • Legislative amendments implemented in 2016 in the area of criminal justice were fully reflected in electronic criminal case management program; • Electronic program of HR management is prepared and implemented; Currently operational Electronic criminal case management is applied to assess prosecutorial workload;

I-5.1.5 Case backlogs and average time to resolution in both criminal and civil / administrative proceedings reduced

Multiple donors, including the EU, have supported improvements in the efficiency of the court system, largely through informatization, and results to date have been disappointing. Some of the problems encountered are technical, and are not made easier by the involvement of two major donors (USAID and EU) in the provision of T systems that have proven incompatible. A recent IT audit recommended complete overhaul, perhaps to the point of starting over from a systems development point of view. As documented in the recent thematic evaluation of EU support for RoL in the Neighbourhood and Enlargement regions, Georgia is far from the only country

where computerization has fallen short of expectations for a more efficient court system. Some of the problems may arise from staff resistance to changing a paper-based processes that, while inefficient, did manage to support the system.

<i>Evidence</i>	
Overall assessment of quality and credibility of evidence	Based on abundant documentary information, the evidence for this indicator is assessed as Strong .
<i>Sources of information</i>	<i>Evidence</i>
Support to Support to the Independence, Accountability, and Efficiency of the Judiciary (ENI/2016/377-910), Inception Report (2016), p. 10.	In early 2000s, efficient administration of justice has been one of the salient RoL issues in Georgia, with multiple donors, including the EU and USAID, supporting interventions that aimed at improving courts administration and case management practices. Thus, starting from 2005, together with the GoG, they have prioritized the creation of the Integrated Criminal Case Management System (ICCMS). The ICCMS was implemented throughout the country in 2011 and, according to the b2006-2013 Country Strategy Evaluation report, all criminal cases were fully managed electronically from 2011 onward. The CSE report noted that “the ICCMS implementation was done in parallel with the Supreme Court case management system roll out, which unlike the ICCMS also covers civil and administrative law cases. According to the CJR 3 rd Progress Report of the GoG (2011), the GoG planned to give access to ICCMS to defence counsel.” Court administration and case management continued to be an issue in the post-2012 period and the amendments introduced as part of the 3 rd wave of judicial reforms including among other issues an “introduction of a randomised electronic case management and assignment system, assignment of judges according to new, transparent and democratic rules, changes to disciplinary procedures for judges, selection criteria for candidate judges, altering the rules for election of courts' chairpersons.”
Support to Support to the Independence, Accountability, and Efficiency of the Judiciary (ENI/2016/377-910), Inception Report (2016), p. 46.	In addition to pressing hardware needs, the Georgian judiciary faces the urgent necessity to develop new software or to update existing packages. As an example, the Law of Public Service obliges all public service institutions to have electronic case management (and electronic HR management) from 2017. Existing case management software (used exclusively for civil and administrative case flow) has been transferred from a private company (Delta) to the Common Court's Department. The Internal IT Unit of the Department fixed a number of user-related problems with the system, which allows the software to function more smoothly, using less storage recourses. Audio/video recording tools have been fully updated as well. Currently new tools are being tested. A full-scale launch of the renewed recording system is planned for early 2017. The IT Unit developed a detailed action plan to further improve case management system (See Annex 5. Action Plan of Common Courts Department) which foresees the integration of various new modules within the system, namely a system of randomised case assignment, module for statistical data processing, incorporation of criminal case flow, improvement of hatching function of court decisions, etc. Each of these updates need additional expertise, human and material recourses, as well as technical training of IT staff. When it comes to the randomised case assignment system, the work to implement such a system has already been launched. A working group was created by the Minister of Justice, composed of MOJ IT specialists, judges and HCOJ representatives. The group drafted technical specifications of the case assignment system (rules for randomised case assignment).
Forms of Narrow Specialisations in Georgian Court System, Transparency International Georgia, Tbilisi 2020, at https://transparency.ge/sites/default/files/narrow_specialisations_21.12.2020.pdf#page=37&zoom=100,44,404 ,	According to Transparency International's report Forms of Narrow Specialisations in Georgian Court System, “Among representatives of professional circles, rapid administration of justice for business disputes is still perceived to be a problem. Furthermore, the judiciary has not yet studied the concrete statistics and reasons for delays in common courts.” Problems with efficient administration of justice are highlighted in the reports issued by the Independent Inspector, an institution created within Georgian common courts in 2017, to initiate disciplinary proceedings against judges independent from HCOJ, which detail disciplinary complaints received by the office each year. A review of the provided information shows that around 55% of all disciplinary complaints are related to civil law cases. Furthermore, “according to the statistical report for the first quarter of 2020 prepared by the Office of the Inspector, 40 out of 60 complaints concerned delays.”

accessed on November 9, 2021, p. 39					
2014-2016 EU-Georgia Association Agenda, p. 4.	Judicial efficiency was noted among the many priorities in the 2014-2016 EU-Georgia Association agenda, which committed the parties to “taking further steps on reforms, in particular of judiciary, Criminal Code and Criminal Procedure Code of Georgia, including enhancing the equality of arms in the criminal proceedings, undertaking a comprehensive review and submitting legal proposals: – on strengthening the independence, efficiency, impartiality and professionalism of the judiciary.”				
2017-2020 EU-Georgia Association Agenda, p. 9.	A more precise reference to improving court administration and case management was made in the 2017-2020 Association Agenda, according to which the following reform actions should have been addressed as a priority: “Continue reforming the justice sector, in particular to ensure the full independence of judges and strengthen the accountability, efficiency, impartiality, integrity and professionalism of the justice system, by implementing key judicial reforms addressing inter alia the High Council of Justice, the Prosecutor Office, transparent and merit-based recruitment, judicial accountability, training of judges, the institutional structure of courts, an effective electronic case management system, legal aid and services, commercial justice and alternative dispute resolution mechanisms.”				
Support to the Independence, Accountability, and Efficiency of the Judiciary, Second progress report	Thus, the EU-funded project, Support to the Independence, Accountability, and Efficiency of the Judiciary (ENI/2016/377-910), implemented during 2016-2020 (?) by Human Dynamics addressed case management through setting a more concrete baseline and following up with the needed technical assistance. According to the project’s 2nd interim report “During the reporting period, HCOJ (upon #1/253 Decision) established a working group on e-justice issues, composed of HCoJ members, judges, court managers, IT Unit developers, other relevant court staff and representatives of the donor community. The group met on several occasions and discussed needs of the court system in context of developing modern and efficient e-tools and the activities IT Unit undertakes to solve some of the major challenges. The main point of all deliberations were that existing electronic Case Management System (CMS) needs fundamental remodelling. All donor organisations at one point or another have been asked by HCoJ or the Supreme Court Chair to invest in some type of extensions/modules to CMS, IT staff trainings or hardware purchases. During the donor coordination meeting in late November, a unanimous decision was reached to propose to the Supreme Court Chair and the Secretary of the HCoJ a compressive IT Audit, in order to identify exact weaknesses and opportunities of Judiciary’s IT infrastructure, software and network and to create a workable plan how to increase efficiency by investing in new e-justice tools. Both Supreme Court Chair and the Secretary of the HCOJ agreed to such proposal” (pp. 37-38). The above-noted IT audit was completed in August 2018 and it was supported by both EU and USAID, through various interventions implemented by Human Dynamics, GIZ, COE, and EWMI. The following table details some of the major IT audit findings:				
Audit of the Information Technology Infrastructure and Software Asset Management of Georgian Judicial System, ICT Business Council of Georgia, 15 August 2018, pp.5-11	<p>Table 1: Findings of the Audit of the information technology infrastructure and software asset management of Georgian Judicial System</p> <table border="1" data-bbox="506 978 2056 1383"> <tr> <td data-bbox="506 978 741 1241">Governance and Management of Information Technologies</td> <td data-bbox="745 978 2056 1241"> <p>The judicial system does not have a unified governance body in the IT field. This body should ensure the development of information technologies within a court system, based on its strategic objectives. It should develop IT strategy, work plan, priorities and appropriate policies, monitor and assess performed works.</p> <p>Analysis showed that the support and development of IT of a court system is provided by a number of independent bodies. In this situation it is difficult to talk about the existence of any kind of best practices in the IT management. In our opinion, unified IT governance body of a court system should be created, which will reorganize the existing supporting resources of information technologies within a system. For an effective management of a structure appropriate management model should be defined, based on international best practices (COBIT, ITIL).</p> </td> </tr> <tr> <td data-bbox="506 1244 741 1383">Information and cyber security</td> <td data-bbox="745 1244 2056 1383"> <p>Unfortunately, the practice within a court system does not satisfy requirements of information and cyber security. It should be noted that information security is the responsibility of organization’s Management and not of IT managers. Unfortunately, the Management of a court system does not realize this responsibility and the system is at a great risk, facing these modern challenges. IT is necessary to solve information and cyber security issues after the establishment of a comprehensive governance body, restructuring of IT offices and the development of an effective management model within a judicial</p> </td> </tr> </table>	Governance and Management of Information Technologies	<p>The judicial system does not have a unified governance body in the IT field. This body should ensure the development of information technologies within a court system, based on its strategic objectives. It should develop IT strategy, work plan, priorities and appropriate policies, monitor and assess performed works.</p> <p>Analysis showed that the support and development of IT of a court system is provided by a number of independent bodies. In this situation it is difficult to talk about the existence of any kind of best practices in the IT management. In our opinion, unified IT governance body of a court system should be created, which will reorganize the existing supporting resources of information technologies within a system. For an effective management of a structure appropriate management model should be defined, based on international best practices (COBIT, ITIL).</p>	Information and cyber security	<p>Unfortunately, the practice within a court system does not satisfy requirements of information and cyber security. It should be noted that information security is the responsibility of organization’s Management and not of IT managers. Unfortunately, the Management of a court system does not realize this responsibility and the system is at a great risk, facing these modern challenges. IT is necessary to solve information and cyber security issues after the establishment of a comprehensive governance body, restructuring of IT offices and the development of an effective management model within a judicial</p>
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		system. It should also be noted, that information and cyber security is not a single project but rather an organizational process that should be reflected in all business processes or new projects of an organization.
	Software	<p>In general, we can say, that the software within a court system is largely outdated and does not meet modern standards, the exception is an electronic case distribution system, which has been recently developed and is comparatively modern system. The advantage of a system is the existence of operations logging mechanism, which allows to monitor each operation carried out during the case distribution. For ensuring the transparency of a system, it is advisable to add:</p> <ul style="list-style-type: none"> • Web Interface – for allow interested parties to access case distribution results from the web; • API (Application Programming Interface) - for integration with analytical systems of NGOs and other interested organizations; • SMS service - for informing the case participants on any status change in the process of case distribution. <p>It is also important to improve the functionality of accessing the data of users of a system, so that each user could an access only to the results of case distribution within his /her jurisdiction.</p>
	Court electronic case management system	<ul style="list-style-type: none"> • Court case management systems are the core of the court software. Rest of the abovementioned systems are modules of this system. Similar modules are gradually created according to new challenges and requirements of the court. Therefore, architecturally, it is advisable for the system to be based on service-oriented principles. • In our opinion, the judicial system should include in its workplan the development of further versions of the court case management system, by taking into consideration following principles: • Service oriented and multi-layered architecture; • Selection of Back End technologies which will be independent from the vendor; • It is important to develop a user interface on WEB technologies; • More protected users' authentication mechanisms (e.g. DGPASS, double authentication, etc.) • The system should have an appropriate integration module with data exchange infrastructure for exchanging important information for the court case management system (e.g. main registers, payment systems, criminal case management system of a prosecutor's office, etc.); • Statistics and Business Intelligence Module: • It is desirable to build the main statistics, currently maintained by the judicial system, in the case management system. However, it is important for all case related data, which is necessary for statistical analysis, to be included in the system, so that the Court chancelleries will not have to extract additional data from the case for processing the statistical forms. • Business Intelligence module-it is recommended not to develop this module by internal forces, instead, one of the leader solutions should be introduced (e.g. Oracle BI, Dundas BI, Sisense and etc).
GIZ project Support to the Development of Private and Administrative Law System in Georgia Final Report, p. 13.	<p>While the GIZ project Support to the Development of Private and Administrative Law System in Georgia did not envision a focus on improved case management, its final report notes the following: “the project has built an expert working group consisting of jurists, judges and lawyers. The working process has started in May 2017. The members of the working group supported by the German experts have finalized their work on the outline of the further legislative work. <u>In addition to this, a study on average court expenses and the empowerment of internal court procedures to make the system work more efficient contributed to the work of the group. A study was conducted on how to optimize case management at Courts, which implies the entire process from submission of the motion to the First Instance Court, until the final hearing at the Supreme Court;</u> furthermore, proposed changes also apply to the improvement of preliminary measures to avoid their arbitrary application as well as adopting decisions by default. Better clarification of roles of different participants in the civil process (such as judges, lawyers, parties to the case) were proposed. On February 27, 2018 authors of the draft amendments made a final presentation to the CPC working group on the work done toward improvement of civil procedures code, which was followed by a discussion.”</p>	

<p>https://www.coe.int/en/web/cepej/georgia-enhancing-the-accountability-and-the-efficiency-of-the-judicial-system-and-the-professionalism-of-lawyers, accessed on November 9, 2021.</p>	<p>The COE EU-funded project Enhancing the Accountability and the Efficiency of the Judicial System and the Professionalism of Lawyers (Jan 2020-August 2022) is most focused in this issue area. According to the project website, the project is designed “to assist the Georgian authorities to reduce judicial delays and backlogs in courts; to strengthen data and judicial statistics collection for courts, case management and judicial services by providing practical advises, tools and methodology; to improve judicial training and court management by working at the levels of the High School of Justice and courts.” It is expected that as a result of this intervention “the efficiency and quality of courts are enhanced” and “court users benefit from more accountable, transparent and efficient functioning of the court system.”</p> <p>The following are the notable activities conducted by the project since its beginning:</p> <ol style="list-style-type: none"> 1. The CEPEJ experts, Mr Vincent Rochefort and Mr Georg Stawa conducted an evaluation of the administrative organisation of the Georgian courts and its non-judicial staff with a view to developing recommendations and guidelines concerning the evaluation of non-judicial staff. The analysis of the situation regarding the collection and processing of court statistics in Georgia was also initiated, with the aim of standardising the approach and improving the collection. The report seems to have been completed in November 2020, but it is unavailable on the project website. 2. A webinar was organized on June 2021 to explain the notion of reasonable length of judicial proceedings, the related definition of backlog, and the process through which Timeframes should be set.
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JC5.2 Rule of Law strengthened

Rule of Law strengthened

I-5.2.1 Strengthened independence of the judiciary.

It is well-documented that the international community, including the EU, remains dissatisfied with progress on independence of the judiciary in Georgia. Despite progress in some areas, there remain major stumbling blocks, such as the political nature of selection of Supreme and Constitutional Court justices. The higher ranks of the judiciary remain dominated by a politicised clique, while rejuvenation is stifled by low intake of new judges and insufficient protection in the form of job tenure. These problems have been recognised both by the EU (e.g., the recent criticism of Supreme Court justice selection by the EUD HoD), by national CSOs, and by international NGOs.

<i>Evidence</i>	
Overall assessment of quality and credibility of evidence	In view of the extensive documentary treatment of the issue of the independence of the judiciary, evidence for this indicator is assessed as Strong .
<i>Sources of information</i>	<i>Evidence</i>
2015 report on implementation of the ENP in 2014.	In August 2014 parliament amended the Law on Common Courts, setting criteria of ‘good faith’ and ‘competence’ for the three-year probation period all judges must serve before their appointment for life. The law also established a new chamber of the Supreme Court (the Qualification Chamber), mandated to review appeals against refusals by the High Council of Justice to make lifetime appointments of judges. [...] In March 2014 the State Commission for Constitutional Reform discussed the powers and competences of the judicial branch of the government and the powers of other constitutional actors. The 58-member commission composed of members of the parliamentary majority and opposition, representatives of non-parliamentary parties and civil society and legal experts, was tasked with drafting constitutional amendments and defining the new constitutional status of the Prosecutor’s Office. Parliament extended the mandate until March 2015. Institutional reform of the Prosecutor’s Office,

	aimed at increasing its independence and accountability, began in December 2014. Government agencies, parliament, the Public Defender and civil society organisations participated in drafting the reform plan.
Report on implementation of the Association Agreement in 2016	Regarding the judiciary, Georgia's reforms have promoted judicial independence, professionalism, accountability and effectiveness. The third package of legislative amendments, tackling the protracted lack of transparency in judicial management, including the functioning and accountability of the High Council of Justice and random allocation of cases, has been advanced, but so far not fully adopted. The rationale for holding closed or public hearings is not always properly communicated. The transparency in the allocation of cases, in the selection of judicial candidates and of courts administrators is not fully ensured. The handling of disciplinary procedures requires strengthening. The majority of judges have no permanent tenure and the controversial three-year probationary period for judges remains. The judiciary continues to be seriously understaffed and backlogs are increasing. [...] In September 2015, amendments to the law on the Prosecution Service aimed at increasing its independence entered into force. A Prosecutorial Council was established and a Consultation Board was set up in early 2016. However, the transparency in the appointment, evaluation, transfer and promotion of prosecutors as well as the correct implementation of existing disciplinary procedures and ethical standards remain to be addressed. There is no independent investigative body to deal with alleged misconduct of prosecutors and law enforcement officials.
Report on implementation of AA in 2017	In December 2016, a package of legislative amendments on the 3rd wave of judiciary reform was adopted. The amendments brought changes, in particular with regard to the publication of all rulings, progressive introduction of electronic random allocation of cases, selection of judicial candidates and disciplinary procedures (establishing the institution of investigating inspector). The amendments did not address other longstanding issues, including the application of the probation period.
TI: The state of the judiciary, 2016-2020. 30 October 2020.	<p>Since 2016, the Georgian Dream party has implemented two waves of the justice reform, although the approach of the authorities was mainly fragmentary and inconsistent. In certain cases, the reform only served to strengthen the interests of a narrow group. Currently, the administration of the judiciary is entirely in the hands of a narrow group of influential judges, which is referred to as the so-called "clan".</p> <p>Supreme Court: The majority of the selected judges are perceived to be pursuing the interests of influential judges in the judiciary or of the authorities. The authorities have failed to ensure the adoption of legislation that is in line with international practice, which made it easier for the parliamentary majority to achieve the pre-planned outcome of the selection process. And ultimately, the Supreme Court was mainly staffed with individuals lobbied for in advance by the authorities rather than highly qualified candidates taking part in the competition.</p> <p>Distrust towards the Constitutional Court emerged after the process of staffing it with new members got underway. Staffing the Constitutional Court with individuals devoted to the parliamentary majority and to the group of influential judges has damaged the Court's authority to a considerable extent and decreased the public's trust in its decisions.</p> <p>Positive changes included the introduction of electronic allocation of cases; the introduction of the Office of Independent Inspector of the High Council of Justice in the judicial system; and improvement of the norms on disciplinary liability of judges and on legal proceedings. ... Important steps were taken to increase the transparency and openness of the activities of the High Council of Justice. The law established the obligation to publish the minutes of sessions of the Council on the Council's website, as well as the obligation to publish decisions taken by the Council – including statistical information on reports submitted by the Independent Inspector and on the initiation of disciplinary prosecution and imposition of disciplinary liability – on the same website. At the same time, the High Council of Justice was tasked with substantiating certain decisions taken by it.</p> <p><u>Conclusion</u> The legislative amendments made in the judicial system since 2016 have been fragmentary and inconsistent. Despite certain positive legislative changes, flaws incompatible with democracy and the principles of the independent judiciary still remain in the system. Lack of individual independence of judges also remains a considerable challenge, as the applicable legislation does not provide sufficient safeguards for the independence of judges. Yet another problem is the closed nature of the judicial system. The system of common courts has suffered from a lack of judges for years, although the group of influential judges does not ensure the inflow of new judges into the system. Based on an assessment of the policy of the authorities in the</p>

	past four years, it can be argued that, during this period, they have not displayed the political will to create a judicial system that would be impartial and oriented at the protection of human rights. The process of selection of judges of the Supreme Court has clearly demonstrated to the public that the goal of the authorities was not to staff the Supreme Court with conscientious and qualified judges. Ultimately, the process related to determining the procedure for nomination and election of the Supreme Court judges by the authorities, as well as the disregard for a big part of the recommendations of the Venice Commission, has caused a considerable reputational damage to the country. As of today, the influence of clan governance of the system of common courts has also penetrated the Constitutional Court. Staffing the Constitutional Court with individuals devoted to the parliamentary majority and to the group of influential judges has damaged the Court's authority to a considerable extent and decreased the public's trust in its decisions.
Nations in Transit 2021 Report	Continuing a trend from previous years, the crisis in Georgia's justice system further solidified in 2020. The lack of procedural transparency in selecting Supreme Court judges, as well as enduring shortcomings in the Law on Common Courts, remain extremely problematic, even though the government has responded to wide-ranging criticism with some measure of reform. Observers ascribed political motives to several high-profile court processes during the year.
Parliament resolution of 14 November 2018 on the implementation of the EU Association Agreement with Georgia (2017/2282(INI))	Takes note of the ongoing judicial reform and signs of greater impartiality and transparency of the judiciary, but recalls the Venice Commission's concerns over proposed legislative amendments, which do not ensure the political neutrality of the Prosecuting Attorneys' Council of Georgia; calls for all the necessary measures to strengthen the justice system including through a reinforcement of administrative capacity – to be put in place and for the full independence of the Judiciary and the Prosecutor's Office to be guaranteed, and calls for democratic scrutiny of the Ministry of Interior, including the police and the security services, which need overhaul and reform, also with a view to guaranteeing transparency, notably in terms of the selection, appointment and promotion of judges as well as in disciplinary proceedings pertaining to them.

I-5.2.2 Increased trust in justice system (judges, prosecutors, law enforcement) as evidenced, e.g., by opinion surveys

Public opinion survey data differ. An EU- and UNDP-commissioned survey showed signs of improvement between 2014 and 2018. However, Caucasus Barometer public opinion survey data show that, while people's confidence in the courts system improved during 2008-2013, it started to deteriorate during the evaluation period, reaching its low point in 2019, with 42% of the respondents distrusting the system and only 20% having faith in Georgian courts. This is a significant negative change since 2013, when only 24% of the respondents were noting distrust and 28% trusting the courts. Similar trends are to be noted in the public trust of police. The data shows that if in 2013, 60% of the respondents trusted the country's police, the share of those who trust police in 2019 decreased by 11%. Importantly, the share of people distrusting the police system increased from 9% in 2013 to 11% in 2019. While the Caucasus Barometer survey does not have questions related to the prosecution service, there are several public opinion polls that have covered this area during the evaluation period. was funded by USAID, with data collected in 2014 and then in 2018 by CRRC Georgia. These survey results show that in the 4-year period during 2014-2018, the share of respondents who fully trust the prosecutor's office decreased from 16% in 2014 to mere 6% in 2018. At the same time, the share of those who fully distrust the same institution more than doubled from 13% in 2014 to 27% in 2018.

Evidence	
Overall assessment of quality and credibility of evidence	The availability of credible survey data leads the quality of evidence for this indicator to be assessed as Strong .
<i>Sources of information</i>	<i>Evidence</i>
2019 report on implementation of AA in 2018	During May-June 2018 Georgia experienced two waves of mass protests. The first followed an anti-drug operation in Tbilisi night clubs, when thousands of people protested against excessive use of power in May 2018. The second set of demonstrations and protests targeted alleged shortcomings of the justice system (prosecution and the courts). The protests started after a controversial court decision concerning the killing of two school boys in December 2017 and forced the Chief Prosecutor to resign on 31 May 2018.
<i>Human Rights and Justice in Georgia: Public Perceptions and Awareness, Final Study Report, Commissioned by the European Union (EU) and the United Nations Development Programme (UNDP) and conducted by ACT (Feb 2017), pp. 7-8</i>	<ul style="list-style-type: none"> • Asked directly whether the overall situation in the judiciary has improved, 38% of respondents answer positively, while only 10% think that the overall situation has deteriorated. • 18% of those surveyed fully trust in the courts, while 45% stated that they “more trust than do not trust courts.” • 9% of respondents in 2016 believed that decisions are made depending on the instructions that judges received from the governments. The same parameter in 2012 accounted for 27%. • 30% of those surveyed consider that there is always a pressure on the court from the prosecuting authority, and 39% of the respondents do not exclude that. Overall, only 8% of respondents believe that the situation in the Prosecutor’s Office has worsened over the last five years. 35% and 37%, respectively, think that the situation has either improved or remained the same. • The results of scoring the system of the Prosecutor’s Office against different indicators (fairness, competence, investigation monitoring, etc.) are moderate, falling between 3.6 and 3.7 on a 6-point scale. Overall, those surveyed in different target groups clearly see the positive institutional reforms. <p>While the case of violation of human rights by courts, as stated by respondents, decreased by 18%, the overall perception on courts has not improved; Individuals hardly believe in impartiality of judicial decisions. In is noteworthy that population is supportive to jury trial. While the positive perceptions toward prosecution improved over the last five years, still it is named as one of those organizations that violated human rights most.</p>
Association Agenda between European Union and Georgia: 2014-2017, p. 3	According to the 2014-2017 EU-Georgia Association Agenda, the dialogue and cooperation was to cover “further reforming the justice sector, in particular ensure the independence, efficiency, impartiality and professionalism of the judiciary and the prosecution, as well as of law enforcement agencies which should be free from political or any other undue interference; continue and intensify the fight against corruption.” During 2017-2020, justice sector reforms were covered under the key priority of “strengthening institutions and good governance,” under different focal areas, including independence of judiciary and law enforcement agencies and human rights and fundamental freedoms. Thus, it is to be expected that the support provided to Georgia has translated into increased trust in the country’s justice system.

<p>CRRC-Georgia Caucasus Barometer waves (2008-2019)</p>	<p>TRUCRTS Trust towards Courts (%) Without 'Don't know' and 'Refusal'</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Distrust (%)</th> <th>Neither trust nor distrust (%)</th> <th>Trust (%)</th> </tr> </thead> <tbody> <tr><td>2008</td><td>32</td><td>32</td><td>32</td></tr> <tr><td>2009</td><td>30</td><td>37</td><td>30</td></tr> <tr><td>2010</td><td>23</td><td>38</td><td>38</td></tr> <tr><td>2011</td><td>27</td><td>31</td><td>42</td></tr> <tr><td>2012</td><td>38</td><td>25</td><td>25</td></tr> <tr><td>2013</td><td>24</td><td>44</td><td>28</td></tr> <tr><td>2015</td><td>28</td><td>44</td><td>28</td></tr> <tr><td>2017</td><td>31</td><td>42</td><td>27</td></tr> <tr><td>2019</td><td>42</td><td>38</td><td>20</td></tr> </tbody> </table>	Year	Distrust (%)	Neither trust nor distrust (%)	Trust (%)	2008	32	32	32	2009	30	37	30	2010	23	38	38	2011	27	31	42	2012	38	25	25	2013	24	44	28	2015	28	44	28	2017	31	42	27	2019	42	38	20
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<p>CRRC-Georgia Caucasus Barometer waves (2008-2019)</p>	<p>TRUPOLI Trust towards Police (%) Without 'Don't know' and 'Refusal'</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Distrust (%)</th> <th>Neither trust nor distrust (%)</th> <th>Trust (%)</th> </tr> </thead> <tbody> <tr><td>2008</td><td>20</td><td>20</td><td>58</td></tr> <tr><td>2009</td><td>14</td><td>32</td><td>54</td></tr> <tr><td>2010</td><td>8</td><td>23</td><td>68</td></tr> <tr><td>2011</td><td>8</td><td>21</td><td>71</td></tr> <tr><td>2012</td><td>12</td><td>34</td><td>54</td></tr> <tr><td>2013</td><td>8</td><td>31</td><td>60</td></tr> <tr><td>2015</td><td>16</td><td>37</td><td>47</td></tr> <tr><td>2017</td><td>17</td><td>31</td><td>53</td></tr> <tr><td>2019</td><td>18</td><td>33</td><td>49</td></tr> </tbody> </table>	Year	Distrust (%)	Neither trust nor distrust (%)	Trust (%)	2008	20	20	58	2009	14	32	54	2010	8	23	68	2011	8	21	71	2012	12	34	54	2013	8	31	60	2015	16	37	47	2017	17	31	53	2019	18	33	49
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<p>Knowledge and Attitudes of Georgia Population towards Judiciary</p>	<p>Public trust toward Prosecutor's office (2014 and 2018)</p>																																								



I-5.2.3 Property rights strengthened; faster and fairer litigation in commercial matters, e.g., dispute resolution, insolvency, enforcement of judgments; all with gender aspects taken into account.

Over the evaluation period, the strengthening of commercial law emerged as a major focus of EU support, and substantial progress can be reported, particularly in the area of ADR. Other areas of progress include insolvency, enforcement, land property rights, and others. However, much of this progress consists of drafting position papers, proposed legislation etc., and it is early to look for actual results in terms of (i) legislation enacted, (ii) effective implementation, and (iii) reform results.

<i>Evidence</i>	
Overall assessment of quality and credibility of evidence	The quality of evidence for this indicator is assessed as Strong .
<i>Sources of information</i>	<i>Evidence</i>
Report on implementation of AA in 2017	The Ministry of Justice started to work on establishing specialised commercial chambers to face growing numbers of commercial cases and pressures from the business community. A draft of a new company law was elaborated. While ranking high (16th place) in the 2017 Doing Business Index, Georgia's legislation still does not include fully-fledged insolvency proceedings (106th place for this particular indicator in 2017).
EU-Georgia association agenda 2014-2016	Relevant goals under the 2014-2016 Association Agenda Enhance judicial cooperation in civil and commercial matters by acceding to and implementing multilateral conventions on civil judicial cooperation and, in particular, the Conventions of the Hague Conference on Private International Law in the field of judicial cooperation as well as the protection of children especially the 1965 Convention on the Service Abroad of Judicial and Extrajudicial Documents in Civil or Commercial Matters, the 1970 Convention on the Taking of Evidence Abroad in Civil or Commercial Matters, and the 1996 Convention on Jurisdiction, Applicable Law, Recognition, Enforcement and Co-operation in Respect of Parental Responsibility and Measures for the Protection of Children (pp12-13). Develop alternative means of dispute settlement (mediation, arbitration); revise rules on administrative detention in compliance with fair trial norms (p.5) Maintain effective pre- and non-judicial mechanisms for both dispute settlement and the protection of human rights (p,6)
2017-2020 SSF	To strengthen Rule of Law and the Justice system: to improve access to justice and legal aid for vulnerable people; to establish zero-tolerance policy against ill-treatment; to strengthen the institutional and human resource capacities in the justice sector, including criminal justice, prosecution,

	<p>investigation, and penitentiary reforms; to enhance the mechanisms for settlement of commercial disputes; to support the implementation of the 3rd wave of judiciary reforms; to improve independence and impartiality of the judiciary and to fight any forms of corruption in the justice system; to assist the Government in further aligning its legal system with European rules and best practices in particular on disputes, registries. and legislation related to the business sphere; to support the implementation of the Human Rights Strategy and Action Plan (Specific Objective 2);</p>
<p>REPORT: Georgia's Implementation of 20 Eastern Partnership Deliverables for 2020 ASSESSMENT BY CIVIL SOCIETY (2020) Pp33-34</p>	<p>„According the ADBI a World Bank Enterprise Survey has found that “interest rates are one of the main factors leading Georgian SMEs not to apply for loans”. Other factors were lack of information about government programs, insufficient land to meet qualification for GoG programs and lack of business plans. In addition, many farmers are not registered as legal entities, thus have no corporate financial accounts and must apply for retail loans as individuals, with little in the way of collateral this makes it difficult to obtain financing. On the supply side, financing institutions have been discouraged by low SME management skills, financial literacy, high levels of informal business relationships (i.e. no contracts) and lack of experience of new technologies. That is not the only problem that need to be addressed, according to the ADBI: major constraints include problems related to lengthy insolvency procedures, poor dispute settlement mechanisms, bottlenecks in the legislations related to the protection of property rights and business processes.“</p>
<p>Implementation of the National Human Rights Strategy Assessment by Maggie Nichols</p>	<p>Given the large-scale violation of property and land rights that had taken place under former governments,¹⁷⁷ the National Human Rights Strategy aimed to <i>improve national legislation and institutional mechanisms for the effective protection of property rights</i>. Special attention was given to the <i>observance of international best standards in cases of expropriation of land by the State for reasons of public necessity</i> and to <i>ensuring the just resolution of ownership registration in relation to existing plots of privately-owned land</i>. In the spirit of the Strategy, both the 2014-2016 and the 2018-2020 Action Plans focus attention on resolving matters related to land registration.¹⁷⁸ Undoubtedly, improvement of cadastral data and effective, non-discriminatory state registration of privately-owned land - agricultural or not, in urban centres or in rural areas, including near the dividing lines - is an essential element in the protection of property rights in Georgia.</p> <p>Basic land registration legislation was in force at the time that the National Strategy and related Action Plans were drawn up, but in order to further facilitate the process and reinforce legal guarantees, a special Law of Georgia on the Improvement of Cadastral Data and Procedure for Systematic and Sporadic Registration of Rights of Plots of Land within the Framework of the State Project was developed and adopted in June 2016. This law introduced a special, simplified procedure for individuals, as well as a pilot project involving the pro-active registration of lands in 12 pre-defined settlements in the country. The special law – which is in operation until 1 January 2020 – provides for: the legalization of deficient registration documents; unhindered registration in the event of inconsistency in a person's identification data; registration of ownership rights on the basis of an agreement made without the required form; mediation as an alternative means of resolving disputes; completion of registration work without service fees; certification of survey activities, and so on.</p> <p>While the special law was generally assessed by local civil society actors at the time of its adoption as a step forward, some possible challenges in implementation were identified. These included concerns as to the lack of resources available for the intense work involved as well as fears as to overlapping claims, and a more systemic registration of land parcels was called for.¹⁷⁹ By January 2020, when the operation of the special law is due to expire, it will be advisable to make a thorough assessment of the efficacy of the law and whether it might be in the public interest to extend its application or make other legislative changes.</p> <p>Government reports on implementation of Human Rights Action Plans provide detailed information on activities carried out by state agencies with regard to improving cadastral data and registration of land plots before and after the special law was adopted. According to the 2015 report, in 2014 the Public Registry transferred into electronic format paper-based documents for up to 6,508 land plots, with another 528 for mountainous regions. Similar work was carried out for 6,966 land plots and a further 10,234 for mountainous regions in 2015.¹⁸¹ This process has continued in subsequent years. In addition, the Government carried out pilot projects in a number of mountainous regions and settlements near Abkhazia and South Ossetia.¹⁸² It is clear that considerable efforts have been taken to date and further effective implementation of the 2018-2020 Action Plan activities in this regard is encouraged in order to complete the process as far as possible.</p>

	<p>One problematic issue that arose during the course of implementation of the National Human Right Strategy concerned ownership of agricultural land by non-Georgian citizens. The constitutionality of the restriction on non-Georgian citizens having property rights to agricultural land was disputed several times in the Constitutional Court. The Court first in 2012¹⁸³ declared provisions of the law prohibiting <i>permanent</i> ownership of agricultural land by non-citizens unconstitutional. In later judgments of 2014¹⁸⁴ and 2018¹⁸⁵ the Court further declared unconstitutional and void the prohibition of <i>temporary</i> ownership of agricultural land by non-citizens. In the constitutional reforms of 2017-2018 a new article (Article 19) on Property Rights was introduced and came into force on 16 December 2018, prohibiting the ownership of agricultural land by foreign citizens, except in special cases decided by a two-thirds majority in Parliament.¹⁸⁶ Following this, on 25 June 2019, a special Organic Law On Property Rights on Agricultural Land was adopted, providing the possibility for a non-Georgian citizen to own agricultural land if this is received through inheritance or is part of an investment project agreed to by the Government of Georgia. It will be important to ensure implementation of the newly adopted constitutional provisions and the Organic Law adheres to international standards, without discrimination and having due regard to the public interest.</p> <p>As envisaged by the Human Rights Strategy, the Government in 2017 drafted changes in the legislation regarding eminent domain. Introduced in Parliament in April 2017,¹⁸⁷ the draft provided <i>inter alia</i>: a complete list of instances in which 'necessary public purpose' permitting the taking of property exists; rules for mutually agreed and involuntary relocation (the latter case requiring an order of the court); the agency implementing the work and/or project necessitating the expropriation registers the property ownership and gives time to the former owner to vacate the premises; the right of owners to litigate the fairness of compensation in accordance with the Civil Code of Georgia¹⁸⁸. The draft was assessed positively by civil society representatives insofar as it aimed to simplify procedures for eminent domain measures. At the same time, caution was voiced as regards ensuring a fair balance between public and private interests (<i>inter alia</i> the speedy and effective consideration of disputes on fair compensation, and clarification of rules on unusable property after expropriation).¹⁸⁹ Although the draft legislative changes were adopted in first hearing (on 1 June 2017), no second or third hearing has followed and legislative changes have not become law.¹⁹⁰ Future action plans should re-visit this matter and the government should proceed with finalization of the legislative changes regarding eminent domain to ensure strategic objective of improving national legislation vis a vis international best practices.</p> <p>The Public Defender, who continually monitors the effective protection of property rights, has additionally highlighted the need to revise the Criminal Procedure Code to ensure the effective protection of the property rights and to introduce stricter procedures for obtaining building permits that will protect the rights of neighbours.¹⁹¹ These matters require further attention – in terms of policy, practice and possible legislative reform - and will be important to be included in future human rights action plans. Pp 56-58</p>
Report on implementation of AA in 2017	The Ministry of Justice started to work on establishing specialised commercial chambers to face growing numbers of commercial cases and pressures from the business community. A draft of a new company law was elaborated. While ranking high (16th place) in the 2017 Doing Business Index, Georgia's legislation still does not include fully-fledged insolvency proceedings (106th place for this particular indicator in 2017).
20 Deliverables for 2020 Monitoring – State of Play in February 2020, p. 6	Key Achievements – Rule Of Law And Anti-Corruption Mechanisms: „Legal frameworks on confiscation are in place in Armenia, Azerbaijan, Georgia, Moldova and Ukraine covering different confiscation regimes.“
2018 EAMR (Jan 1-Dec 31, 2018), p. 7	SDG 16: Peace, Justice and Strong Institutions is supported under SSF sector 2 Strengthening institutions and good governance, with actions to enhance quality, transparency and effectiveness of government under public administration reform programme and under the upcoming AAP2018 programme EU4 economic governance and fiscal accountability, actions to strengthen the rule of law and justice under the Justice Sector budget support programme (criminal justice, justice reform, legal aid service, juvenile justice, penitentiary reform, land registration) as well as under a component on business dispute resolution and enforcement under the new AAP2017 programme on Economic and Business Development, projects to enhance parliamentary oversight and independent control institutions, as well as a novel AAP2018 programme EU4 Security Accountability and efficiency of the Fight against crimE (SAFE). In addition, actions implemented in Georgia's breakaway regions under ENPARD, civil society support, VET, and Enguri HPP rehabilitation with IFIs aim at conflict transformation and recovery.
2018 EAMR (Jan 1-Dec 31, 2018), p. 45	Authorities remain committed to the structural reform agenda that should create favorable conditions for balanced growth. In order to increase medium-term growth potential Georgia has to continue: improving infrastructure that will strengthen the connectivity, comprehensively reform the education

	system, mobilize domestic savings (financial market and pension reforms) and modernize commercial justice (insolvency law, effective commercial dispute settlements).
UNDP Mediation project descriptions from the web	<p>Mediation and Arbitration for Dispute Resolution is a joint initiative of the European Union (EU) and United Nations Development Programme (UNDP). Working closely with the Government of Georgia, judiciary, private sector and educational and professional institutions, the European Union and UNDP will continue promoting the use of mediation and arbitration in civil and commercial disputes, enhancing the access to professional mediation and arbitration services in Georgia, thus assisting the country to improve the business environment and access to justice.</p> <p>Improvement of Georgia's business and investment environment has been defined as one of the key priorities of the EU-Georgia Association Agenda, which reiterated the need to develop Alternative Dispute Resolution (ADR) mechanisms to facilitate economic development, improve the business environment and ensure a better legal system and access to justice.</p> <p>The new phase of assistance to Alternative Dispute Resolution in Georgia builds on the results of two EU-UNDP joint initiatives – Justice for All (2016-2018) and Enhanced Mediation and Arbitration for Fairer and Faster Commercial Dispute Resolution (January 2019- March 2021). With a budget of EUR 264,700, the project is being implemented in 2021, contributing to the EU's larger programme EU4Business as well as to Georgia's progress in achieving Sustainable Development Goals.⁴²</p> <p>Expected Results:</p> <ul style="list-style-type: none"> • The project is expected to deliver results under the following areas: • Enhanced access to and efficiency of mediation and arbitration. • Access to professional mediation and arbitration services. • The specific results include: • Better access to and efficiency of mediation and arbitration. • Increased awareness on mediation and arbitration. • Developed institutional capacity of professional associations of mediators and arbitrators. • Enhanced capacities of the judiciary and legal professionals in ADR to provide quality legal services in civil and commercial disputes.
Excerpts from the 1st Interim Narrative Report EU-UN Joint Project Enhancing Access to Justice and Development of a Child-Friendly Justice System in Georgia Reporting Period: 1 January 2016 – 31 December 31, 2016	<p>Result 1.3. Alternative dispute resolution (ADR) mechanisms are more broadly used in Georgia</p> <p>Activities under Result 1.3 were implemented by UNDP Georgia in partnership with the Georgian Association of Mediators, Georgian Association of Court Mediators, Georgian Association of Arbitrators, GIAC, National Centre for Alternative Dispute Resolution (NCADR) and the judiciary. All activities were coordinated with other development projects supported by the EU, USAID and GIZ.</p> <p>The year 2016 was significant for ADRs, especially for mediation, in that the Government of Georgia committed itself to adopting the Law on Mediation in 2017⁴³ as well as making relevant changes to Georgian legislation in order to promote the use of arbitration.</p> <p>Activity 1.3.1. Promote use of mediation in dispute resolution as alternative mechanism to judicial review.</p> <p>Activity 1.3.2. Support greater use of arbitration as an alternative dispute resolution mechanism</p> <p>Activity 1.3.3. Support awareness-raising on ADRs</p>
Support to the development of Private and Administrative Law System in Georgia (10/2015 – 02/2018)	<p>Implementation phase (October 2015 – February 2018)</p> <p>Private and Administrative Law Reform</p> <p>A Concept Paper on Reform of the Civil Code of Georgia was developed and handed over to the Ministry of Justice of Georgia; informal working group in cooperation with international and national experts has prepared amendments to the Civil Code of Georgia. New Draft Law of Georgia on</p>

⁴² See at <https://www.ge.undp.org/content/georgia/en/home/projects/mediation-and-arbitration-for-dispute-resolution.html>

⁴³ During the Tbilisi Mediation Days 2016 international conference, Mr. Alexander Baramidze, Deputy Minister of Justice, stated that the adoption of the Law on Mediation is at the top of the priorities and the Ministry of Justice would submit the draft law to the Parliament in early 2017.

FINAL REPORT	<p>Entrepreneurs was finalized, particularly in light of transposition of the <i>EU acquis</i>; Regulatory Impact Assessment (RIA) of the <i>Draft Law of Georgia on Entrepreneurs</i> was completed and presented to the MoJ. A legal opinion on the Draft Law of Georgia on Consumer Rights Protection was prepared and handed over to the Parliament for further consideration.</p> <p>The project provides assistance to the State Procurement Agency in fulfilling DCFTA requirements and bringing national law in line with relevant EU-Directives. International expert, in close collaboration with the working group on the new procurement law elaborated the First version of draft Public Procurement Law (PPL), which was presented to State Procurement Agency on March 20, 2017. First version of the draft PPL contained only general description of procurement methods. In comparison with the first draft document, second version of the draft PPL, which was provided by the international expert in July, 2017 included: chapters on remedies, special conditions for procuring utilities, and ineffectiveness of procurement contracts, concluded as a result of a significant breach of public procurement rules, and removal of the so-called black and white lists.</p> <p>International Judicial Cooperation</p> <p>Procedures for ratification of The Hague Convention of 1965 on Service Abroad of Judicial and Extrajudicial Documents in Civil or Commercial Matters and The Hague Convention of 1970 on the Taking of Evidence Abroad in Civil or Commercial Matters have been launched. Ratification of the said Conventions will extend the scope of cooperation with EU member states (currently international treaties on legal assistance are concluded only with four EU member states); they will provide effective mechanisms when a judicial or extrajudicial document is to be transmitted from one state party to the Convention to another state party for service or evidence abroad is to be taken. Currently, internal legal procedures for ratification are at the finalization stage. Ministry of Justice of Georgia has also initiated the establishment of the Regional Network of Eastern Partnership Countries on mutual legal assistance.</p> <p>Land Administration and Property Rights</p> <p>The final draft of Land Administration and Land Management Strategy has been discussed and agreed with all stakeholders and the leadership of the NAPR. The strategy aims at establishing an efficient and reliable land administration and management system. A Master's Program on Land Governance for the Caucasus Region was developed by the international experts. The master program will consist of four terms, including lectures, an internship and the defence of a master thesis. Currently project team is looking for securing funding for the programme (including from German Authorities) to ensure implementation of the project.</p> <p>Another already existing mechanism of cooperation between the relevant public entities is the State Commission for Establishment and Development of National Spatial Data Infrastructure (NSDI). The recommendation on further improvement of the draft law on National Spatial Data Infrastructure was provided by the international expert and it is in full compliance with the EU Directives. The law of Georgia on Special Procedures for Systematic and Sporadic Registration of Land Plots and Improvement of Cadastral Data under the State Project entered into force on August 1, 2016, numerous legislative acts were adopted, which introduced new regulations on registration of land titles. The Law foresees mediation to solve land disputes that hinder the registration of properties within the state project on sporadic registration.</p> <p>Insolvency law</p> <p>During the first project year, the working group on insolvency law consisting of legal practitioners and staff members of MoE, MoF, MoJ and NBE, finalized the draft Insolvency Law in August 2017. Existing draft has already been submitted to the MoJ and international experts. At the same time, in the framework of Agenda 2030 component of the GIZ Legal Approximation Program, ISET was contracted to conduct a regulatory impact assessment (RIA) on the selected issues foreseen by the draft.</p> <p>Enforcement law</p> <p>The draft Enforcement Code, elaborated by the EU project Development of Enforcement Legislation in Georgia (DEEP), and published in May 2015, has been taken up by the Ministry of Justice of Georgia as a basis for further work on the enforcement law. The project has provided the MoJ and the NBE with an expert opinion to both drafts and with a comparative survey of the enforcement systems of European countries.</p>
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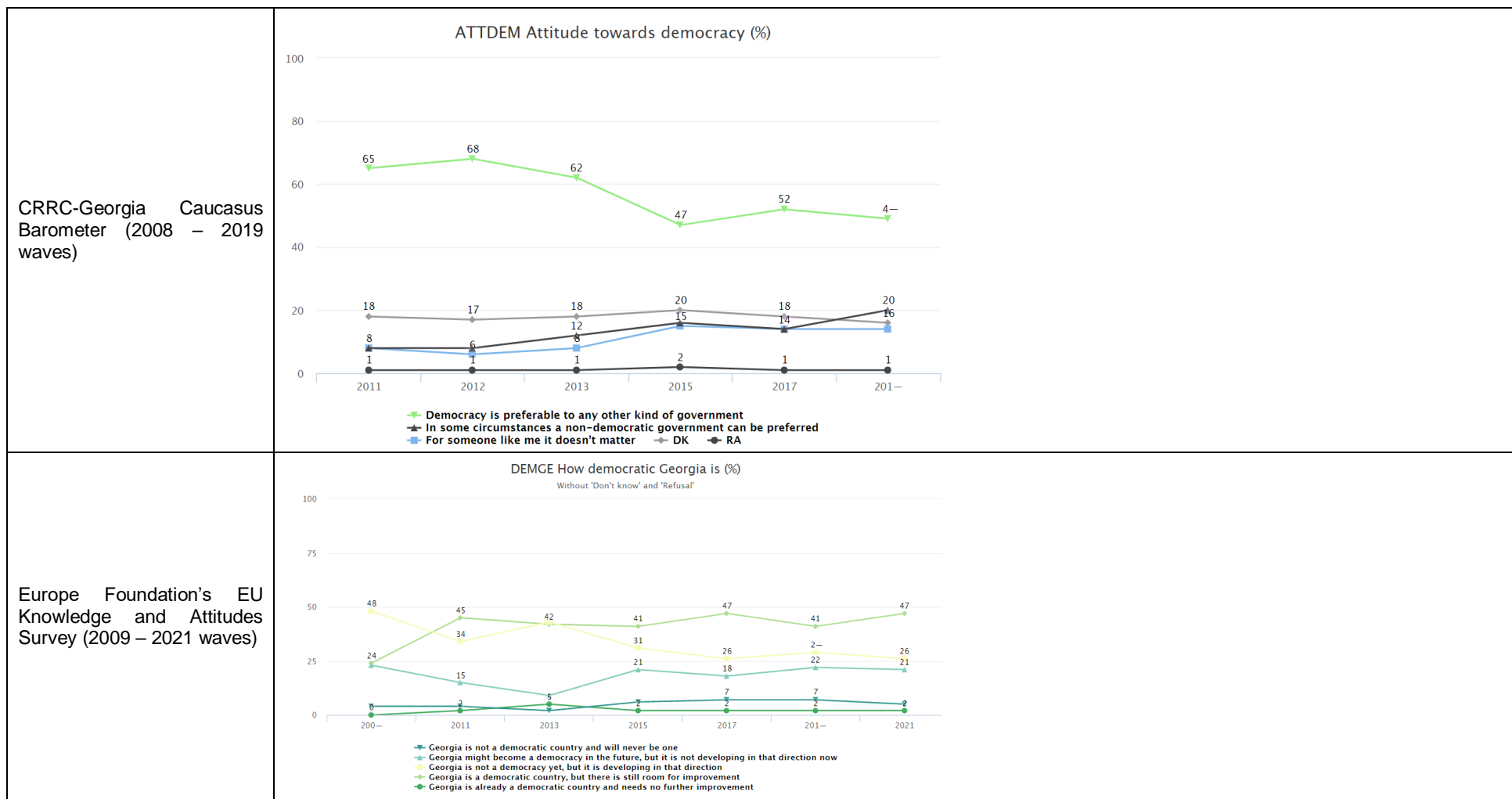
JC5.3 Democratic institutions strengthened

Democratic institutions strengthened

I-5.3.1 Public opinion survey results indicate strong belief in democracy as the best form of governance

The trend is worrisome. Not only the CRRC Caucasus Barometer survey, but others, as well, document a significant and sustained decline in faith in democracy; a trend that started in the runup to the 2016 Parliamentary elections and has accelerated following the 218 presidential elections; i.e., under the current government. This trend coincides with diminishing trust in all public institutions, a trend discussed under other indicators.

<i>Evidence</i>	
Overall assessment of quality and credibility of evidence	Long supported by donors (principally USAID and the EU), public opinion surveys in Georgia are widely viewed as technically sound and credible. Accordingly, the evidence for this indicator is assessed as Strong .
<i>Sources of information</i>	<i>Evidence</i>
Caucasus Research Resource Centre	In everyday life, self-perception plays a major part in shaping attitudes and behaviour. By the same token, it speaks volumes about the state of body politic. In 2019, one in two respondents described Georgia as a democracy with major flaws. In turn, a quarter of Georgians viewed the country as a democracy with minor troubles. Only a tiny 4 % of the population subscribed to the view that Georgia is a full democracy. This distribution is fairly uniform when broken down according to respondents' age, sex, settlement type and education. What's more, a global trend of disillusionment with democracy has found a faint echo in Georgian society. In 2012, 68 % of respondents embraced democracy as preferable to any other form of government. Seven years later, support of democracy has shrunk to roughly half of the population. Interestingly, over the course of last decade a sizable group of Georgians (around 30 %) have remained indifferent to democracy or avoided stating their position. Rati Shubladze, CRRC researcher, draws parallels between the decline in democracy perception and growing public distrust towards state institutions. Indeed, a quick glance at the charts is enough to get the picture – people who have little or no confidence in government and its policies (healthcare, educational, judicial) are more prone to assess Georgia as less democratic. As the public has become increasingly distrustful of ruling politicians and their actions, it comes as no surprise that Georgians' self-image has grown bleaker.
Future of Georgia: Survey Report (2021), Caucasus Research Resource Centers Georgia, p. 4.	As noted below under JC 5.4 Indicator 1, public knowledge and assessment of human rights situation in Georgia, the general trend shows a picture of a society that craves improved protection of human rights and fundamental freedoms. This said, it cannot be assumed that the Georgian public has good knowledge of what it means to be well governed or what is implied by being open and tolerant of differences. Thus, according to the 2021 CRRC report <i>Future of Georgia</i> , while "most people think that there should be more women in parliament, ...fewer think that more ethnic minorities or LGBT people will be good to have in Parliament." The same study shows that while significant difference is observable across the country, "people tend toward being unwilling to vote for people different from them." Even more importantly, survey research shows that since 2013, the preference for democratic form of government which is associated with better protection of human rights and fundamental freedoms is declining among Georgian citizens (from 62% in 2013 to 49% in 2019). The EU Knowledge and Attitudes survey conducted bi-annually by Europe Foundation shows that the Georgian public is gradually becoming pessimistic about the future of democracy in Georgia. The share of those who believe that Georgia while not yet a democracy but is developing in that direction has decreased by 16% from 2013 (42%) through 2021 (26%). Furthermore, those who believe that Georgia is not developing in the direction of democracy increased from 5% in 2013 to 21% in 2021.



I-5.3.2 Laws and policies support free media, incl. investigative journalism

The EU has provided extensive support to media freedom, ranging from actions directly benefiting independent media, including investigative journalism, and support to the PDO in its watchdog role. While overall donor support to media has waned in recent years, there has been focused support for elections coverage, with some positive results observed. Transparency of media ownership has also improved. However, a broad range of documentary sources have expressed concerns about media freedom in Georgia. The word that is most often used is “polarised,” meaning that, while a range of political viewpoints are represented (i.e., the media landscape

is pluralistic), any given media outlet is dominated by one political orientation – that of the owner. A side effect has been widespread self-censorship on the part of journalists, subject to dismissal for deviating from the editorial line imposed from above. The result risk is the de-skilling of journalism, as reporters become mere mouthpieces. Space for journalistic freedom has diminished, the outstanding event being the assault on some 40 journalists covering an LGBT+ demonstration in Tbilisi in 2019. Public authorities refused to prosecute these assaults, raising issues of impunity and state-sanctioned violence.

<i>Evidence</i>	
Overall assessment of quality and credibility of evidence	Based on the range of documentary sources examined, the evidence for this indicator is assessed as Strong .
<i>Sources of information</i>	<i>Evidence</i>
Reporters without Borders assessment of Georgia ⁴⁴	The media has historically played a major role in Georgia's democratic development, especially starting from the late 1990s. However, this has not translated into sustainable gains in the field of media freedoms. Rather, progress in this area is patchy and characterized with constant attempts by the state to reign in the media. As a result, independence and plurality of media continues to be an issue in modern-day Georgia. Thus, after the initial positive developments which have led to significant improvements in the country's media freedom rankings in the Reporters without Borders (RSF) annual assessments, the government started to tighten its grip over the media in the lead-up of the 2016 Parliamentary elections.
Reporters without Borders assessment of Georgia ⁴⁵	Georgia's media are pluralist but still very polarized. The reforms of recent years have broad improvements in media ownership transparency and satellite TV pluralism, but owners and bosses still often call the shots on editorial content. This was seen with the opposition TV channel Rustavi 2, which underwent a complete change in its editorial policy after the channel was restored to a previous owner. And it was seen with Adjara TV, a regional public television channel, which began backing the ruling party after new bosses were appointed and journalists were fired.
US State Departments, Human Rights Report Georgia (2020) ⁴⁶	Today, Georgian Public Broadcaster (GPB) and pro-government TV stations no longer run political talk shows that are open to respondents with different political views. They are also less open to run investigative journalism stories that are critical to the ruling party. In return, the pro-government TV stations get a more favourable treatment from the Revenue Service, as the latter is significantly more lenient with enforcing their hearing tax obligations. This issue was highlighted in the US State Departments Human Rights Report 2020, which notes that throughout the year "[t]here were reports of lack of due process and respect for rule of law in a number of property rights cases. NGOs also reported several cases in which groups claimed the government improperly used tax liens to pressure organizations. For example, prior to its July 2019 change in ownership, the then opposition-oriented Rustavi 2 television station claimed it was unfairly targeted for its failure to pay taxes, while progovernment media did not experience similar scrutiny."
2019 Parliamentary Report of the Public Defender of Georgia, p. 141 & 178 ⁴⁷	As underscored by RSF and other INGOs working on media freedoms, Georgia's media landscape is extremely polarized, as ownership has strong editorial influence on television programming. This often translates into violation of journalists' labour rights. As noted in the PDO's 2019 Parliamentary Report, "journalists complained that they were fired because of dissenting opinion after the change in the management of Rustavi 2." This issue was again highlighted in the 2020 report, with particular emphasis on the dismissal of 7 journalists from Adjara TV (a regional public broadcaster), which "contained signs of alleged persecution for different opinions, in particular, for openly criticizing management decisions." The same was noted in the 2021 AA implementation report: "The election of the Ajara Public Broadcaster's new Director in November 2019 was preceded by a stand-off and the journalists' warnings about attempts to change the TV's editorial policy to a government-leaning one. The confrontation aggravated by January 2020, when part of TV employees established an alternative trade union to defend their rights. In the course of 2020, key journalists and managers were gradually dismissed or left the channel. Several of them filed cases in court."

⁴⁴ <https://rsf.org/en/georgia>, accessed on October 31, 2021.

⁴⁵ <https://rsf.org/en/georgia>, accessed on October 31, 2021.

⁴⁶ <https://www.state.gov/wp-content/uploads/2021/03/GEORGIA-2020-HUMAN-RIGHTS-REPORT.pdf>, p. 21, accessed on October 31, 2021.

⁴⁷ <https://www.ombudsman.ge/res/docs/2020070407523954521.pdf>, accessed on October 31, 2021.

2019 Parliamentary Report of the Public Defender of Georgia, p. 175. This issue was tabled in another the 2018 PDO report The Situation of Human Rights and Freedoms in Georgia, p. 155.	Journalists are increasingly hindered in performing their professional duties, which was most pronounced in 2018, when 40 journalists were injured as they attempted to cover anti-government rallies in Tbilisi. Media experts are particularly alarmed about these cases, as the Ministry of Internal Affairs and the General Prosecutor’s office refuse to qualify these acts as “unlawful interference with the journalists’ professional activity” as criminalized in Article 154 of the Criminal Code of Georgia. The Public Defender of Georgia consistently underscores the latter problem in her annual parliamentary reports, including the one from 2019, which notes the following: “a persisting problem is the absence of proper data on alleged offences committed against journalists because of their professional activity; this makes it difficult to obtain comprehensive information about such facts and to assess the quality of response to them.”
2020 Parliamentary Report of the Public Defender of Georgia, p. 184 ⁴⁸	<p>During the reporting year, the issue of producing proper statistics by the Ministry of Internal Affairs of Georgia on all kinds of alleged criminal acts committed against journalists because of their professional activities remained problematic; this prevents obtaining comprehensive information on such facts and complicates evaluating the effectiveness of responding to them. In particular, the Ministry of Internal Affairs of Georgia records only the number of investigations launched on the facts of unlawful interference with a journalist's professional activities (Article 154 of the Criminal Code of Georgia). The statistics do not include information on responses to violence, persecution, threats or other crimes against media representatives. Thus, the Office of the Public Defender received data from the Ministry only on the number of investigations launched on the facts of unlawful interference with the professional activities of the journalist, which in 2015-2020 are as follows:</p> <p>Number of Investigations under Article 154 of the Criminal Code</p> <p>2015 – 0 2016 – 6 2017 – 2 2018 – 12 2019 – 13 2020 – 7</p>
Reporters without Borders assessment of Georgia ⁴⁹	According to the 2020 assessment by RSF, “A disturbing trend is emerging, with attempts to interfere in media outlets by the security services and by the media regulator, the Communication Commission, whose prerogatives have gradually been extended to surveillance and censorship. Its online platform, called the “Media Critic,” examines media content and tends to discredit independent journalism. Even if police violence against journalists is less frequent, police sometimes attack reporters, especially during elections, and do so with complete impunity.”
Media Sustainability Index for Europe and Eurasia, Georgia Country Report 2019 ⁵⁰	According to the Media Sustainability Index by IREX, Georgian medias sustainability score diminished from 2018 to 2019, as it received lower scores in the following categories: freedom of speech, professionalism, plurality of news, and business management. These lowered scores could not be compensated by improvements in the category of Supporting Institutions, “which signifies the active engagement of Georgian civil society groups’ and professional associations’ efforts to promote the interests of the media, along with support of the media by international donors.”

⁴⁸ <https://ombudsman.ge/res/docs/2021070814020446986.pdf>, accessed on October 31, 2021.

⁴⁹ <https://rsf.org/en/georgia>, accessed on October 31, 2021.

⁵⁰ <https://www.irex.org/sites/default/files/pdf/media-sustainability-index-europe-eurasia-2019-georgia.pdf>, p. 3, accessed on October 31, 2021.

<p>Media Sustainability Index for Europe and Eurasia, Georgia Country Report 2019⁵¹</p>	<p>MEDIA SUSTAINABILITY INDEX: GEORGIA</p> <table border="1"> <thead> <tr> <th>Objective</th> <th>2014</th> <th>2015</th> <th>2016</th> <th>2017</th> <th>2018</th> <th>2019</th> </tr> </thead> <tbody> <tr> <td>Free Speech</td> <td>2.92</td> <td>2.86</td> <td>2.82</td> <td>2.75</td> <td>2.54</td> <td>2.48</td> </tr> <tr> <td>Professional Journalism</td> <td>2.45</td> <td>2.49</td> <td>2.34</td> <td>2.35</td> <td>2.36</td> <td>2.23</td> </tr> <tr> <td>Plurality of News Sources</td> <td>2.77</td> <td>2.64</td> <td>2.61</td> <td>2.50</td> <td>2.53</td> <td>2.43</td> </tr> <tr> <td>Business Management</td> <td>2.29</td> <td>2.00</td> <td>1.83</td> <td>1.62</td> <td>1.40</td> <td>1.57</td> </tr> <tr> <td>Supporting Institutions</td> <td>2.70</td> <td>2.53</td> <td>2.48</td> <td>2.46</td> <td>2.51</td> <td>2.44</td> </tr> </tbody> </table>	Objective	2014	2015	2016	2017	2018	2019	Free Speech	2.92	2.86	2.82	2.75	2.54	2.48	Professional Journalism	2.45	2.49	2.34	2.35	2.36	2.23	Plurality of News Sources	2.77	2.64	2.61	2.50	2.53	2.43	Business Management	2.29	2.00	1.83	1.62	1.40	1.57	Supporting Institutions	2.70	2.53	2.48	2.46	2.51	2.44
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<p>2021 Nations in Transit Report Georgia⁵²</p>	<p>Nations in Transit report also warned about the troubling developments in the Georgian Media: “Ongoing pressure on Adjara TV continued to challenge its independence and caused large-scale staff changes, as well as fears of a gradual government takeover of the public broadcaster. Additionally, the amended Law on Electronic Communications, proposed by the National Communications Commission, was approved in July, sparking criticism from CSOs and media representatives because it empowered the regulator to plant “special managers” in private companies.”</p>																																										
<p>Technology and Democracy Report by Freedom House⁵³</p> <p>2021 AA Implementation Report, p. 17.</p>	<p>In recent years, information integrity and media literacy has been high on the agenda of local and international interlocutors, especially as digital media is gaining more prevalence. While the right to access internet is now guaranteed by the newly adopted Constitution, threats to digital rights are challenged due to limited accessibility of internet and trolling, “particularly by government-affiliated bots and users, intensified, most notably around June 2018 protests and the 2018 presidential election.” According to the 2021 AA implementation report, following its approximation obligations in the field of audio-visual media services, “[i]n July, Georgia amended the legislation on Broadcasting and Electronic Communications, which needs to be implemented in line with media pluralism, freedom of speech and self-regulating principles of the media outlets. The Georgian National Communications Commission was tasked with promoting, developing and monitoring media literacy. The National Broadband Development Strategy, adopted in January, focuses on connectivity, digital infrastructure and digital literacy and skills.”</p>																																										
<p>Gap Analysis of Independent Media Skills and Needs in the Eastern Partnership: Georgia Country Report (2019), Baltic Center for Media Excellence, p. 5</p>	<p>International donor support that had been provided to TV stations and other media outlets has steadily dwindled, in part because the donor community was unable to see tangible results of their efforts. However, leaving the sector without support is not an answer, especially given the predominance of foreign propaganda and disinformation, which is likely to increase during the election year. According to the Baltic Center for Media Excellence (BCME), media needs in Georgia are many, but among them is the need to support journalists in improving their journalistic research skills, including those needed to conduct quality journalistic investigations. According to the BCME, data journalism remains a serious challenge and there is a need to support journalists and media outlets in conducting in-depth coverage of events, developing analytical stories or investigations on issues that concern the citizens.</p>																																										
<p>2014-2016 EU-Georgia Association Agenda, p. 6 and</p>	<p>Both the 2014-2016 and 2017-2021 EU-Georgia Association Agenda have virtually the same language on the goals of their cooperation in the field of media. Both documents note that in their dialogue and cooperation with each other they plan to “Continue to strengthen media pluralism, transparency</p>																																										

⁵¹ <https://www.irex.org/sites/default/files/pdf/media-sustainability-index-europe-eurasia-2019-georgia.pdf>, p. 3, accessed on October 31, 2021.

⁵² <https://freedomhouse.org/country/georgia/nations-transit/2021>, accessed on November 1, 2021.

⁵³ <https://www.freedomthenet.org/country/georgia/freedom-on-the-net/2019>, last accessed on October 31, 2021.

2017-2020 EU-Georgia Association Agenda, p. 19.	and independence in line with Council of Europe recommendations” and to cooperate for the implementation of the relevant EY acquis. In addition, both documents prioritize the implementation of the Human Rights Strategy, which sets a goal of “ensuring the freedom and independence of the media and limiting any interference in the professional activities of journalists, ensuring the protection of all persons exercising their freedoms of peaceful assembly and association, and the fulfilment of the positive and negative duties of the government in this respect.” The latter point is noted in the Action Document for EU 4 Human Rights in Georgia.																		
EU-Georgia Association Agenda, p. 28	<p><u>Cooperation in Audio-visual and Media Field</u></p> <p>The Parties will cooperate to prepare for implementation of EU acquis mentioned in relevant annexes of the envisaged Association Agreement and support Georgia in:</p> <ul style="list-style-type: none"> • work towards reinforcement of independence and professionalism of the media in compliance with relevant European standards and approximation of the audio-visual legislation with the EU acquis as envisaged by the Association Agreement, inter alia by exchanging of views on audio-visual policy, relevant international standards including co-operation in the fight against racism and xenophobia; • the exchange of best practices and regarding freedom of the media, media pluralism, decriminalisation of defamation, protection of journalist sources and cultural diversity aspects of media through regular dialogue; • strengthening the capacity and independence of regulatory authorities/bodies for media. 																		
UNDP Transparency Portal, “Study & Research on Election Media Coverage 2018” ⁵⁴	<p>A review of main interventions supported during the evaluation period notes that while media is viewed as a partner for various advocacy, awareness raising, and visibility efforts, it is not directly targeted as a beneficiary institution. One area, where EU has been historically present involves monitoring of the media during election cycles, with aim to improve media pluralism in election coverage. Figure 2 below provides information about the latest UNDP project in this area</p> <p><i>Figure 2 EU-Supported media monitoring by UNDP</i></p> <table border="1" data-bbox="499 778 1697 1339"> <thead> <tr> <th data-bbox="499 778 678 842">Indicators</th> <th data-bbox="689 778 992 842">Baseline</th> <th data-bbox="1003 778 1350 842">Targets</th> <th data-bbox="1361 778 1697 842">Results</th> </tr> </thead> <tbody> <tr> <td data-bbox="499 850 678 1042">Number of monitored media outlets</td> <td data-bbox="689 850 992 1042">10 TV stations, 12 radio stations, 7 newspapers and 17 news portals monitored for 6 months during 2016 Parliamentary Elections</td> <td data-bbox="1003 850 1350 1042">Approximately 8 Georgian TV channels, 12 online news portals, 6 newspapers and 10 radio stations will be monitored within 6 months of the 2018 presidential elections monitoring</td> <td data-bbox="1361 850 1697 1042">8 Georgian TV channels, 11 online news portals, 7 newspapers and 11 radio stations were monitored within 6 months of the 2018 presidential elections monitoring</td> </tr> <tr> <td data-bbox="499 1050 678 1161">Number of published reports</td> <td data-bbox="689 1050 992 1161">5 monitoring reports and a final report produced (2016)</td> <td data-bbox="1003 1050 1350 1161">3 media monitoring reports will be produced</td> <td data-bbox="1361 1050 1697 1161">4 media monitoring reports were produced</td> </tr> <tr> <td data-bbox="499 1169 678 1339">Number of media monitors participating in the training and the</td> <td data-bbox="689 1169 992 1339">A data collection methodology and data visualization training conducted for CSOs</td> <td data-bbox="1003 1169 1350 1339">Approximately 25 media monitors participate in the data-collection methodology training and all 3 CSOs participate in concluding seminar</td> <td data-bbox="1361 1169 1697 1339">22 media monitors participated in the data-collection methodology training and in social media and gender monitoring training</td> </tr> </tbody> </table>			Indicators	Baseline	Targets	Results	Number of monitored media outlets	10 TV stations, 12 radio stations, 7 newspapers and 17 news portals monitored for 6 months during 2016 Parliamentary Elections	Approximately 8 Georgian TV channels, 12 online news portals, 6 newspapers and 10 radio stations will be monitored within 6 months of the 2018 presidential elections monitoring	8 Georgian TV channels, 11 online news portals, 7 newspapers and 11 radio stations were monitored within 6 months of the 2018 presidential elections monitoring	Number of published reports	5 monitoring reports and a final report produced (2016)	3 media monitoring reports will be produced	4 media monitoring reports were produced	Number of media monitors participating in the training and the	A data collection methodology and data visualization training conducted for CSOs	Approximately 25 media monitors participate in the data-collection methodology training and all 3 CSOs participate in concluding seminar	22 media monitors participated in the data-collection methodology training and in social media and gender monitoring training
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⁵⁴ <https://open.undp.org/projects/00101297>, accessed on October 31, 2021

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2015 Report in implementation of ENP in 2014.	In 2014 the media environment continued to improve and became more diverse, albeit also more polarised. Media ownership became more transparent. Georgia's ranking in the annual Freedom House survey of global press freedom improved slightly. There were a few cases of interference in journalistic activities. Occasionally, authorities demonstrated a hostile attitude towards critical reporting by the media. Media freedom, in particular for investigative journalism, and impartiality remained precarious.			
2017 AA implementation report	In the 2017 World Press Freedom Index, Georgia remained at the 64th place out of 180 countries. The media landscape is dynamic and pluralistic, even if polarised. Legal battles over the ownership of TV channels continue to fuel political controversy about potential political interference on media pluralism and the judiciary. The Rustavi TV case is currently under revision by the European Court of Human Rights.			
2019 report on AA implementation in 2018	The media landscape is dynamic and pluralistic, but also polarised. Legal battles over the ownership of TV channels continue to fuel political controversy about potential political interference in media pluralism and the judiciary. The European Court of Human Rights is still reviewing the Rustavi TV case ⁵ . In the 2018 World Press Freedom Index, Georgia improved by three places, ranking now 61 (compared with 64 in 2017) out of 180 countries.			
2020 report on AA implementation in 2019	The media landscape remained polarised and underwent substantial changes following the ECHR verdict in the Rustavi 2 case, which was published in July ³ . The ECHR lifted the suspension on the 2017 verdict of Georgia's Supreme Court and the channel was restored to its previous owner. This led to wide-ranging changes of management and staff. By September, several journalists had left to work for the Main Channel, a new channel owned by Rustavi 2's former director, Nika Gvaramia. In December the ECHR's Grand Chamber rejected the appeal on the ruling, effectively ending the legal dispute with the confirmed change of ownership of the channel. Euronews Georgia was launched in September (projected to be on air before summer 2020) and Formula TV started broadcasting in October. In the 2019 World Press Freedom Index ⁴ , Georgia moved up one place and now ranks 60th out of 180 countries. Its Freedom House rating remained stable, with an aggregate 'freedom score' of 63/1005.			
2021 report on AA implementation in 2020	<p>Georgia's media landscape remained pluralistic and competitive, but also highly polarised. In the 2020 World Press Freedom Index³ Georgia has maintained its 60th rank among 180 countries. Its Freedom House rating decreased slightly, with an aggregate "freedom score" of 61, compared to 63 in 2019⁴.</p> <p>The election of the Ajara Public Broadcaster's new Director in November 2019 was preceded by a stand-off and the journalists' warnings about attempts to change the TV's editorial policy to a government-leaning one. The confrontation aggravated by January 2020, when part of TV employees established an alternative trade union to defend their rights. In the course of 2020, key journalists and managers were gradually dismissed or left the channel. Several of them filed cases in court.</p> <p>Amendments to the Law on Broadcasting, setting out amongst others additional obligations to protect minors from harmful influence, were adopted in July 2020. Broadcasters criticised the amendments. They requested a clear definition of its legal terms and criteria on when to consider influence as harmful and asked for a moratorium on sanctions (which can include the suspension of a broadcaster's licence). The Georgian Democratic Initiative (GDI) challenged the amendments in the Constitutional Court.</p> <p>Euronews Georgia launched fully-fledged broadcasting in September.</p>			

	In June 2020, <i>Reporters without Borders</i> called upon the Georgian Government to guarantee the safety of journalists, following an alleged plot to murder a TV Mtavari journalist ⁵ .
Nations in Transit 2021 Report	2020 was also a challenging year for media freedom in Georgia. The country's pluralistic media environment continued to be plagued by political polarization and the influence of party affiliation. Ongoing pressure on Adjara TV continued to challenge its independence and caused large-scale staff changes, as well as fears of a gradual government takeover of the public broadcaster. Additionally, the amended Law on Electronic Communications, proposed by the National Communications Commission, was approved in July, sparking criticism from CSOs and media representatives because it empowered the regulator to plant "special managers" in private companies.

I-5.3.3 Political participation of women and ethnic / linguistic / sexual minorities strengthened.

The EU has been instrumental in encouraging and supporting Georgia to adopt legislation in line with the country's 2014-2020 National Strategy for the Protection of Human Rights. Some of this legislation, has specifically protected the rights of women, ethnic, and sexual minorities; in addition to which the EU has supported a broad range of projects under its thematic programmes and budget support grants components. The results have been more meagre than desired.

While the existing legal framework is in line with international standards and the conventions for gender equality that Georgia has signed, these measures have not translated into overall progress against regionally and globally comparable gender equality outcomes. While several high-profile women occupy ministerial posts, women are still poorly represented in the Parliament, local posts, and political parties. Conservative gender roles are widely accepted in Georgia.

Political participation of ethnic/linguistic minorities is also a perennial problem in Georgia, though ethnic/linguistic minorities fare better than sexual minorities. Language barriers remain high.

Due to traditional attitudes and, in particular, the position of the Georgian Orthodox Church LGBT+ rights have been for many years a thorny issue. In February 2020, the Government adopted an Equality Chapter to the National Human Rights Action Plan, yet grave doubts remain concerning its implementation. Political parties do not address LBGTIQ issues and when they do, they side with the conservative views of the Georgian Orthodox Church. There are not MPs that have self-identified as members for the LBGTIQ community.

A review of project inventory suggests that EU and other donor support has focused more on supporting victims of violence and discrimination and on creating environment for better enjoyment of social and economic rights by these groups, rather than focusing on increasing political participation. Policy dialogue takes place annually via the EU-Georgia Human Rights Dialogue and it has been identified as an important contributor to the protection and empowerment of women and minorities of all kinds.

Evidence	
Overall assessment of quality and credibility of evidence	Based on the good availability of documentary evidence and interviews, evidence for this Indicator is assessed as Strong .
<i>Sources of information</i>	<i>Evidence</i>
ISSA, Study Participation of Ethnic Minorities in Georgian Political Life, 2019	In conclusion, we can say that there is a high level of a sense of cultural-political identity towards Georgia and Georgian public within ethnic minorities; however, this level somewhat decreases in the younger generation and is the lowest in the Azeri community. Ethnic minority groups agree with the image of Georgia as a state with hybrid democracy. As for political engagement, majority of ethnic minority groups declare that they support political inclusion; however, about one third agree that politics is the business of elites (and not "usual/average" citizens). Beyond what is declared, only about

	one fourth of the respondents regard themselves as politically active citizens. Reasons for the low level of activism are named to be the following: having lack of interest towards politics, being busy due to family related issues, as well as having incomplete knowledge of Georgian language.
WEF GGI 2020 Report (Georgia country sheet at p.167-8.) ⁵⁵	Georgia ranked 119th of 149 countries for women's political empowerment in the 2018 World Economic Forum GGI, roughly halfway through the evaluation period, but did significantly better two years later. In fact, the country's 2020 Global Gender Gap score stood at 70.8% (74 out of 153 countries), which is which is for the first time above the global average of 68.6%. In 2020, improvements were seen in all areas, including economic participation, educational attainment, health and survival, and political empowerment, though improvements in political empowerment were least significant and the change in health and survival most significant. These improvements are welcome development for women of Georgia, as the country's WEF GGI scores were steadily deteriorating during 2006-2018.
Report of the Public Defender of Georgia on the Situation of Protection of Human Rights and Freedoms in Georgia (2020), pp. 145-7.	<p>Equal participation of women in decision-making remains a challenge, as the current political environment fails to ensure equality and is characterized by many barriers for women... Despite the introduction of a gender quota mechanism, women's involvement in political and decision-making processes in Georgia is still low. During the 2020 elections the anti-gender discourse was significantly strengthened and the number of attacks on women politicians increased. Discriminatory, gender-biased and sexist language was used against female politicians in this period. Unfortunately, apart from the introduction of the mandatory quota mechanism in 2020, no other important measures have been taken to promote equal participation of women and men in political life. ... Gender Equality sub-section of the Human Rights Action Plan of the Government itself provides for minimal activities to encourage women's involvement in politics, which in turn is not sufficient. In 2020, according to the information provided by the Civil Service Bureau, 26,000 people were employed in the Ministries of Georgia as civil servants, out of which 21,262 are men and 4,738 are women, respectively. The gender distribution of employees in leading positions is as follows: 274 women, 474 men, respectively.</p> <p>Georgia has taken important steps in recent years to improve gender policy and the legislative environment. The National Institutional Mechanisms for Gender Equality have also been established, and periodic action plans on Gender Equality, Violence against Women and UN Security Council Resolution №1325 on "Women, Peace and Security" have been developed and are being implemented. Nevertheless, the study conducted by the Public Defender revealed that gender mainstreaming tools are formal and fragmentary in nature. It is necessary to mention that the implementation of gender mainstreaming and follow-up monitoring in the process of creating and budgeting state policies in various fields remains as a significant gap.</p>
Gender Equality in Georgia: Barriers and Recommendation Vol 1 (Jan 2018), joint re-port by EWMI and UNDP, pp. 145-7.	Furthermore, women are also under-represented in local self-government bodies. Following the 2017 municipal elections, women make up 13.4% of local legislative bodies (Sakrebulo) and women's representation was only 11.3 percent in Sakrebulos elected in 2014. All five mayors of the self-governing cities (Tbilisi, Rustavi, Kutaisi, Poti, Batumi) are men and out of 59 mayors of self-governing communities, only one is woman. There are only two women at the Supreme Council of the Autonomous Republic of Adjara which is comprised of 21 members. Women comprise 29%, and men 71% of government posts.
Study of the Participation of Ethnic Minority Representatives in Political Life (2019), by Institute of Social Studies and Analysis and OSGF, p. 15.	[...] the effectiveness of the policy is impacted by the limited funding from the side of the government to implement the relevant policy. The declared priority of the policy for the protection and civic integration of ethnic minorities is not reflected in the provision of the funds at the budgetary level. As in the previous years, currently as well, implementation of a number of governmental obligations and responsibilities depends on international support.
National Strategy on Tolerance and Civic Integration	A new National Strategy on Tolerance and Civic Integration and its 5-year implementation action plan were adopted in 2015 and the composition of the Interagency Commission was expanded. The strategy has four directions: equal and full participation in civic and political life; equal social and economic conditions and opportunities; access to quality education and enhancing the level of knowledge of the state language; and retaining ethnic minority culture and ensuring a tolerant environment.
2021 EU Knowledge and Attitudes Survey	To this day, representatives of minority groups are poorly integrated into Georgian society, due to several reasons, ranging from attitudes from the ruling elites and ethnic majority populations to lack of knowledge of Georgian language, conservative attitudes of the Orthodox Church, and the imprint

⁵⁵ http://www3.weforum.org/docs/WEF_GGGR_2020.pdf

	<p>of Russian propaganda. According to the 2021 EU Knowledge and Attitudes Survey by Europe Foundation and CRRC (to be published in November 2021), “respondents from minority communities are less likely to possess the country’s official language. About 7% claim to have advanced knowledge of Georgian, 24% say that they know Georgian at an intermediate level, while 35% have a beginner’s knowledge. Thirty-four percent of respondents from minority communities have no basic knowledge of Georgian.</p> <p>[...] respondents from ethnic minority communities are less likely to be employed, self-employed or in a salaried job than those from majority Georgian communities. Only 25% of the representatives of the ethnic minority domain are employed, compared to 44% within the strata of Georgian-speaking areas, and 42% nationally. [...]</p> <p>Due to cultural and religious attitudes, ethnic minority women are even more disadvantaged than their Georgian counterparts. According to the recent survey data, “almost 25% of the respondents in the minority strata reported being a housewife, a higher number than recorded in the ethnic Georgian domain (11%), or nationally (12%).</p>
Georgia 2020 Human Rights Report, US Department of State, p. 59 ⁵⁶	In addition to political, civic, economic, and cultural obstacles, weak Georgian language skills remained the main impediment to integration for members of the country’s ethnic minorities. Some minorities asserted the law requiring “adequate command of the official language” to work as a civil servant excluded them from participating in government. The Public Defender’s Office reported that involving ethnic minorities in national decision-making processes remained a problem due to the small number of representatives of ethnic minorities in the central government.
Parlement of Georgia’s website ⁵⁷ & Civil.Ge, “Parliament does not reflect Georgia’s diversity”, 21/11/2016. ⁵⁸	In 2016, women won 24 of the 150 seats (16.0%) in the parliament, while ethnic minority candidates won 11 seats (7.3%). In 2020, due to the incentives, there are 29 women MPs (just under 24%) and 7 ethnic minority representatives (4.7%):
Report of the Public Defender of Georgia on the Situation of Protection of Human Rights and Freedoms in Georgia (2020), pp. 318-9.	In 2020, the situation of national minorities in terms of participation in decision-making process and in public life has not changed. Despite the urgency and importance of the issue at stake, government agencies have not launched any programme to increase the participation of national minorities and have not implemented any effective activities for many years. ... [N]ational minorities are still very rarely and/or mostly not represented in the central government (except for the Office of the State Minister for Civic Equality and Integration). In contrast, the participation of national minorities in local self-governments in areas densely populated by national minorities is ensured. The situation in the governance of the capital has not improved in terms of the participation of national minorities. About 11% of the population of the capital belongs to national minorities. However, there is still not a single representative of national minorities in the Tbilisi City Council Sakrebulo or the Tbilisi municipal government. Problems related to the participation of representatives of national minorities in the political process became evident during the parliamentary elections of October 2020. The majority of the political parties’ election programmes omitted issues related to national minorities completely or presented them only superficially. Compared to the parliament elected in 2016, the number of representatives of various ethnic groups in the parliament elected in 2020 has decreased from 11 to 6.1169 After the 2020 elections, there are no representatives of the Abkhazian and Ossetian communities in the parliament.
Report of the Public Defender of Georgia on the Situation of Protection of Human Rights and Freedoms in Georgia (2020) ⁵⁹	In addition to the natural handicaps created by the pandemic, we also faced Government-imposed restrictions that had unequal impact on various groups of the society. In the reporting period too, groups that suffered most due to the barriers were women, religions minorities. LGBT+ community and disabled people.

⁵⁶ <https://ge.usembassy.gov/wp-content/uploads/sites/165/GEORGIA-2020-HUMAN-RIGHTS-REPORT.pdf>

⁵⁷ www.parliament.ge

⁵⁸ <https://civil.ge/archives/125943>

⁵⁹ <https://www.ombudsman.ge/res/docs/2021070814020446986.pdf>, p. 14

Special Report on Combating and Preventing Discrimination and the State of Equality (2020) issued by the Ombudsman of Georgia, p. 5.	there were numerous attacks on the LGBT+ community and activists in 2020; When imposing the pandemic-related restrictions, the Government unequally treated non-dominant religious groups; [...] Cases of harassment and sexual harassment in the workplace were common in both public and private sectors in this reporting period as well.
Georgia: 13th Annual Human Rights Dialogue (20.07.2020), Joint Press ⁶⁰	The EU welcomes progress on support to those belonging to ethnic minorities and ensuring civic integration processes in Georgia and encourages Georgia to continue efforts to improve the participation of women and representatives of those belonging to ethnic minorities in all areas of public life. The EU recalled the importance of combating all forms of discrimination and of protection and better integration of those belonging to vulnerable groups including LGBTI persons. The EU welcomed Georgia's efforts to continue ensuring the effective implementation of its anti-discrimination law and strengthening the policy framework
2014 Evaluation of EU Support to the integration of Minorities in Georgia, Final Report, p. 17	Virtually all of the respondents noted that their efforts have been more effective when the issues relevant to minority protection and integration have been raised during EU-Georgia political dialogue. More specifically, the members of the Ethnic and Religious Minority Council at the PDO noted the effectiveness of political support of the EU on religious and ethnic minority issues. As a further example, the members of the Religious Minority Council noted that ENP AP Country Reports that have signalled zero tolerance to discrimination and intolerance, with the latest report calling islamophobia by its name. Both Councils have also highlighted the importance of the EU's role in pushing forward the adoption of anti-discrimination law and the National Human Rights Strategy and Action Plan. [...] Some of the grantees have also noted that direct engagement of Thomas Hammarberg or a relevant EUD project manager "in negotiating human rights issues is much more important than some EUR 50,000 that we may get for the project.
2020 GEWE evaluation's Georgia case study	The EU was characterised by one MS as being more visible in human rights policy dialogue than in the specific area of gender, with the possible risk that gender-specific concerns are subsumed under broader ones, with consequent dilution of the GEWE message.
2018 EAMR, pp. 8-9	The EU is one of the key donors in Georgia taking active actions related to gender mainstreaming through policy dialogue and direct assistance. In this regard, the year 2018 may be considered as a peak year in terms of activities of the EU on gender in Georgia with numerous projects running and policy discussions taking place. As regards policy dialogue the Head of Delegation and other staff members used the opportunities to raise gender related issues under various occasions also organised by other donors such as discussions organised by the Parliament with the Support of USAID on women, labour, rights in November 2018 (GAP Objective 14). Furthermore, gender issues were discussed in various EU- Georgia fora in particular Georgia's commitments under Georgia-EU Association Agreement; for instance the subcommittee on trade and sustainable development discussed implementation of the directive on equal pay for men and women, and the subcommittee on labour reviewed progress in alignment to gender-specific labour directives (GAP Objective 14). As part of the direct EU assistance to the Government, technical assistance has been provided to Georgia's Inter-Agency Commission on Gender Equality to advance gender sensitivities in national policies, human resources management in public administration and dialogue between main policy makers and civil society actors (addressing among others GAP Objective 18). Furthermore, the grants to the CSOs were provided under the Human Rights programme focusing mainly on fight against domestic violence and gender based violence, which contributed among other things to more awareness, public discussions and strengthening of the CSOs to be more active in national policy dialogue (GAP Objectives 7, 10, and 18).

⁶⁰ https://eeas.europa.eu/headquarters/headquarters-homepage/82000/georgia-13th-annual-human-rights-dialogue_en

	<p>Support for the Implementation of the EU-Georgia Association Agreement provided to Georgia under AAP 2018 will cover such aspects as inclusion of women in decision-making processes and participation of women in politics as part of capacity building activities (GAP Objective 17).</p> <p>Equal opportunities for women to participate in governance (GAP Objective 17) are highlighted in the Public Administration Reform budget support programme. This was also successfully implemented during 2018 as far as equal opportunities for men and women in civil service are concerned.</p>												
<p>EU TA to Inter-agency Commission on Gender Equality⁶¹</p>	<p>EU's support to GEWE and minority integration targets both rights-holders and duty-bearers, both to create enabling environment and to inform and empower rights-holders. Notable among these are the technical assistance project implemented by NIRAS during 2017-2020, targeting Inter-Agency Commission on Gender Equality, to assist Georgian executive, legislative and judicial authorities in advancing gender mainstreaming into public administration. Of the expected results of this TA Project, the following are most pertinent to this indicator: (1) increased institutional capacity of Georgia's Inter-Agency Commission on Gender Equality, (2) improved capacity of public servants in legislative, executive and judicial bodies, to mainstream gender into policy making at national and local levels, (3) strengthened sex disaggregated data collection, (3) improved reporting and shadow reporting vis-à-vis Georgia's international commitments on Gender Equality, and (4) enhanced social inclusion and political participation of women. Of particular relevance to this indicator is to ascertain how the TA project contributed to enhanced social inclusion and political participation. Important interventions in the GEWE area have been implemented by UN Women and UNFPA as well, but they do not seem to have targeted women's political participation.</p>												
<p>Action Document for Human Rights for All in Georgia 2014 (CRIS Number: ENI/2014/037-382), p.1</p> <p>Association Implementation Report on Georgia, Brussels, 6.2.2020 SWD(2020) 30, p. 16</p>	<p>The 2014 Action Document for Human Rights for All in Georgia (CRIS Number: ENI/2014/037-382) specifically targeted improved implementation of the National Human Rights Strategy and human-rights protection for minorities and vulnerable groups, with the following two specific objectives: "(1) to improve protection against discrimination of various minorities and vulnerable groups, and (2) to support the implementation of the National Human Rights Strategy and Action Plan and its monitoring." It directly targeted such institutions as the PDO, SIS (then the personal data protection inspector), the Parliamentary Committees on human rights and legal affairs, and NHRSAP Inter-Agency Council, and noted the following results to be achieved as a result of the various interventions to be supported by the action:</p> <ol style="list-style-type: none"> 1. Provision of free legal aid and other services (e.g. medical or psych rehabilitation) for discriminated groups; capacity building of groups vulnerable of discrimination (particularly ethnic, religious and/or LGBT); documentation/survey/awareness- related activities on groups vulnerable of discrimination. 2. Operational institutional mechanism foreseen in the anti-discrimination law to promote protection of minorities (including LGBT rights). <p>Similarly, the EU "assistance under the bilateral allocation for 2019 (EUR 127 million, including a EUR 25 million top-up from the 'umbrella' programme) will focus on the development and implementation of a new human rights strategy, targeting in particular the rights of the child, domestic violence and the inclusion of members of vulnerable groups/minorities."</p>												
<p>EU Evaluation on support to GEWE</p>	<p>The following is a list of interventions that could have contributed to increased political participation of women and minorities, but the project documents are unavailable at this point. A cursory view of project inventory seems to indicate that there is more focus on supporting victims of violence and discrimination and on creating environment for better enjoyment of social and economic rights by these groups, rather than focusing on increasing political participation of women and ethnic minorities. However, the project documents will allow the evaluators to assess whether increased political participation of women, ethnic minorities, and LGBTQI community members could have resulted from interventions that did not directly target increased political participation issues.</p> <table border="1" data-bbox="499 1193 1715 1353"> <tr> <td><i>Solidarity Network for LGBTI in Armenia and Georgia</i></td> <td>2014</td> <td>c-348110</td> <td>456.307</td> </tr> <tr> <td><i>Human Rights for All – Support to the Implementation and Monitoring of the National Human Rights Strategy and Action Plan</i></td> <td>2015</td> <td>c-369518</td> <td>4.000.000</td> </tr> <tr> <td><i>Unite to eliminate domestic violence and empower women and girls for the better future in Georgia</i></td> <td>2015</td> <td>c-369211</td> <td>321.017</td> </tr> </table>	<i>Solidarity Network for LGBTI in Armenia and Georgia</i>	2014	c-348110	456.307	<i>Human Rights for All – Support to the Implementation and Monitoring of the National Human Rights Strategy and Action Plan</i>	2015	c-369518	4.000.000	<i>Unite to eliminate domestic violence and empower women and girls for the better future in Georgia</i>	2015	c-369211	321.017
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⁶¹ <https://eu4georgia.ge/eu-supporting-the-inter-agency-commission-on-gender-equality/>.

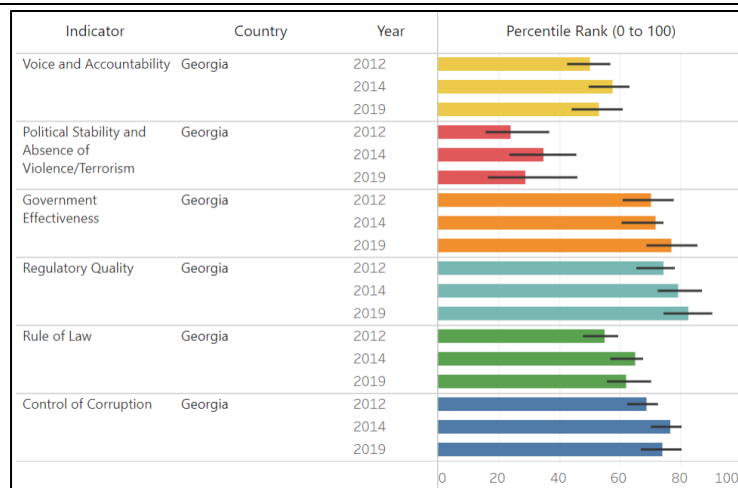
	<i>Combating all forms of discrimination</i>	2016	c-344451	1.481.968
	<i>Empowering vulnerable women to end discrimination</i>	2016	c-378340	293.215
	<i>Increasing Awareness on Local Elections through the Engagement of Local CSOs and LSGs</i>	2016	c-382869	101.342
	<i>Joint EU-UNDP Civil Society Support Programme</i>	2016	c-376771	1.400.000
	<i>Promoting Free, Fair and Transparent 2017 Local Election in Georgia</i>	2017	c-388932	39.958
	<i>Local LEADERS Embrace Sustainable Development in Multi-Ethnic Tsalka Municipality</i>	2018	c-402466	1.917.844
	<i>Fair Elections for Georgia</i>	2019	c-411990	200.000
	<i>EU4Gender Equality: Challenging gender stereotypes and practices in the EaP countries</i>	2019	c-412563	7.500.000
	<i>Support to Gender Equality and Women Political Participation In Georgia</i>	2020	c-422548	216.200
	<i>Women's Power Economic and Political Participation for Inclusive Societies in Georgia</i>	2020	c-421414	861.729

I-5.3.4 Adequate engagement of Government and Civil Society.

The EU has been one of the strongest supporter of Georgian civil society under its Civil Society Roadmaps 2014-2017 and 2018-2020. With the support of the EU (and other donors such as USAID), Georgian civil society has emerged as the clear leader in the South Caucasus. Constructive engagement between civil society and government has been enhanced by the revolving door effect –at various stages, civil society leaders have entered government; at others government members have moved into civil society roles. At the same time, the picture gives cause for concern. Many documentary sources perceive a hardening of relations between government and civil society since the parliamentary elections of 2016, and in recent years it is now common for government to refer to civil society organisations as “the opposition.” There is an overall reluctance of government agencies to recognise the expertise of specialised NGOs and, admittedly, NGOs themselves lack technical expertise in some cases, such as the monitoring of PAR and PFM.

<i>Evidence</i>	
Overall assessment of quality and credibility of evidence	Evidence of shrinking space for civil society in Georgia can be regarded as Strong , as this is widely reported. More information is needed, however, on the working relationship between government and CSOs at finer-grained level, such as in the area of rehabilitation and resocialisation of prisoners and probationers, (although interviews suggest this has deteriorated over time as government budget commitments have not been forthcoming) assistance to victims of (which appears to have fared better), social service delivery (which the EU has supported through grants to NGOs; it remains to be seen whether public budgetary resources will be forthcoming), etc. It is possible that such working relationships are holding strong while relations deteriorate at the higher political level, especially regarding Rule of Law, human rights incl. anti-discrimination, and democracy. It is noteworthy that the offices of LGBT+ civil society groups have been ransacked with impunity.
<i>Sources of information</i>	<i>Evidence</i>

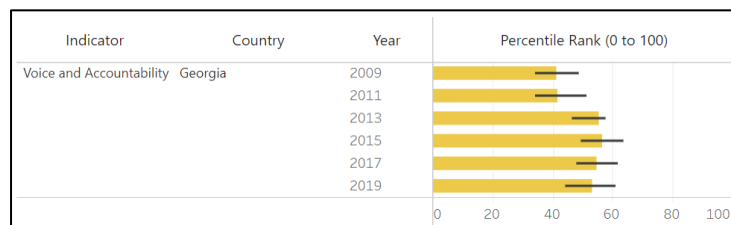
<p>Basic Data and Directions Documents 2014-2017 and 2017-2020</p>	<p>In the Basic Data and Directions Document 201402017, GoG committed to supporting youth-led CSOs in all regions of Georgia, as well as to improved strategic cooperation with CSOs in criminal justice and environmental protection fields and to ensuring public funding of CSOs, including on elections-related matters.</p> <p>In its 2017-2020 BDD, the GoG committed to implementing “effective and fair policy, to ensure further strengthening and engagement of governance system, policy system and civil society.” The GoG explicitly committed to cooperate with civil society, as it noted the latter’s importance for successful implementation of the AA, consolidation of public opinion regarding EU integration, and mobilisation of available knowledge.</p>
<p>2018 Civil Society Organization Sustainability Index for Central and Eastern Europe and Eurasia, pp. 98-9</p> <p><i>Georgia’s Implementation of 20 Eastern Partnership Deliverables 2020: Assessment by Civil Society</i>, implemented by Georgian Institute of Politics (GIP) and International Society for Fair Elections and Democracy (ISFED), 2020, p. 11</p> <p>EU Country Roadmap for Engaging with Civil Society in Georgia 2018-2020, p. 17.</p>	<p>However, many line ministries, public agencies, and local authorities still lack the appreciation of and skills to engage with civil society. According to the 2018 CSO Sustainability Index, central authorities are only “open to partnerships with CSOs on less controversial issues” and local authorities are unable to engage in meaningful policy dialogue “largely because of [their] limited independence from the central government.”</p> <p>According to CSOs’ own assessment, their participation in policy dialogue is hampered by the fact that “Georgian legislation does not require government authorities to hold consultations with civil society organizations. Even though tools exist for official participation in decision-making, such as commenting on draft laws, or the opportunity to participate in established working groups with state institutions, this process is still ad-hoc and depends on the institution as well as the topic for discussion.”</p> <p>The 2018-2020 EU Roadmap recognized the above-posed issues, noting that both national and local authorities need to acquire the institutional framework and functional skills, including that of planning, to ensure civil society participation in policy dialogue.</p>
<p>World Bank Good Governance Indicators</p> <p>Freedom House Georgia rankings in its 2018 Georgia Country Report, p.1.</p>	<p>These assessments of civil society engagement are confirmed by the snapshot picture as captured by the World Bank’s Good Governance Indicators survey, which measures governance by six aggregate indicators. The survey shows that over the 7-year period during 2012-2019, the country made the least progress in the areas of political stability, rule of law, and voice and accountability. These are also the areas where backsliding is evident since 2014.</p> <p><i>Figure 2: World Governance Indicators – Georgia</i></p>



Source: WB Good Governance Indicators Survey

A closer look at the WB GGI Voice and Accountability indicator shows that after marked improvements in 2013 (arguably, following the 2012 elections and the change in power), the country's score shows a gradual decline.

Figure 2 : Voice and Accountability in Georgia



Source: WB Good Governance Indicators Survey

These trends are visible in other independent assessments of civic space in Georgia, which have noted opening up of operational space for civil society engagement in national and local decision-making processes following the 2012 Parliamentary elections and the peaceful transfer of power. The same assessments have since been warning against the increasingly shrinking space for pro-democracy actors in the country, reflecting this in their longitudinal ratings for Georgia. For example, if during 2013-2017, the Freedom House was consistently upgraded Georgia's democracy score from 4.75 to 4.61, the score in 2018 was decreased to 4.68, in part, due to multiple attacks on CSOs by public officials.

The EU's own assessment of the way in which the public sector engaged with civil society was very positive in the post-2012 period, but it started to voice concerns after the 2016 local elections.

<p>EU Country Roadmap for Engaging with Civil Society in Georgia 2014-2018 p. 4</p> <p>EU Country Roadmap for Engaging with Civil Society in Georgia 2018-2020, p. 5.</p>	<p>Relations between government and civil society, particularly at the national level, have been greatly enhanced since the 2012 Parliamentary Elections... The picture is not uniform across all sectors, but, as a general rule consultative councils exist under the aegis of various ministries and function to a greater or a lesser degree depending on the specific sector.</p> <p>CSOs are able to function freely regardless of their activities or the opinions they express. ... However, public statements directed against watchdog CSOs occurred with increasing frequency in the second half of 2018. This peaked during the electoral campaign period for the Presidential elections 2018 when CSOs were harshly confronted by members of parliament and government officials and accused of being politically biased and partisan after they had criticized the way the campaigns were taking place. Following the Mukhtarli case in June 2017, there also have been some concerns on Georgia as “safe haven” for foreign human rights activists.</p>
<p>EU Roadmap for Engagement with Civil Society in Georgia 2014-2018</p>	<p>Some of the notable examples of state-civil society coordination were found in human rights and criminal justice spheres, given the EU’s long-term support of the Criminal Justice Reform Council (CJR Council) and the Inter-Agency Coordinating Council for the Development of the National Human Rights Strategy and Action Plan, which was inspired by the CJR Council.</p> <p>[...]</p> <p>This sector also saw some of the better examples of CSO-GoG cooperation on rehabilitation and resocialization of inmates and probationers, mostly funded through the EU, initially under EaPIC 2012 top-up Criminal Justice sector policy support programme (SPSP) and then through the Support to Justice Sector Reform in Georgia (ENI/2014/037-376). Improved dialogue between civil society and public institutions was noted in food safety and consumer protection area (covered by ENPARD), where National Food Agency engages with consumer rights advocates for improved implementation of Georgia’s SPS obligations.</p>
<p>EU Roadmap for Engagement with Civil Society in Georgia 2014-2017, p.11.</p> <p>Georgia’s Implementation of 20 Eastern Partnership Deliverables 2020: Assessment by Civil Society</p> <p>EU-CSO Roadmap 2014-2017 in Georgia: Key Achievements⁶²</p> <p>Evaluation of the EU’s engagement with Civil Society in the enlargement, neighbourhood regions and Russia for the period of 2007-2018, Final Report (March 2020), Vol II: Annex 1-3, p. 218</p>	<p>As noted above, while civil society representatives are members of various working groups and councils created by line ministries and other public bodies with a declared aim to consult relevant stakeholders, their participation is ad-hoc and largely dependent on international donor insistence (as was the case with CJR council) or on the political will within a particular public institution. Furthermore, even when CSOs do work in working groups or councils set up by state institutions, they often voice their frustration with this format, as these councils are not always created in the spirit of real cooperation.</p> <p>According to the recent assessment of achievements under the 2014-2017 EU Roadmap for engaging with civil society in Georgia, 61% of surveyed CSOs have participated in communication and policy dialogue with Georgian public authorities, but only 36% of these have reported achievement of concrete results.</p> <p>This was confirmed in the 2007-2018 Evaluation of the EU’s engagement with Civil Society in the enlargement, neighbourhood regions and Russia, which notes that civil society respondents from Georgia noted that “even when policy dialogue takes place, it is the follow-up to policy engagement activities and a feedback loop that is not clear.”</p> <p>The challenge of civic engagement has been acknowledged by the GoG in multiple strategies and documents, including the Public Administration Reform (PAR) Roadmap and the 2014-2020 National Strategy for the Protection of Human Rights, which acknowledge the need to ensure “active participation of citizens in the decision-making processes that are going to affect them most.” However, independent assessments continuously highlight that “[p]ublic scrutiny of government work and participation in policy making are limited.”</p>

⁶² <https://www.euneighbours.eu/en/east/stay-informed/publications/eu-cso-roadmap-2014-2017-georgia-key-achievements>

<p>2014-2020 National Strategy for the Protection of Human Rights, p. 8</p> <p>Baseline Measurement Report: the Principles of Public Administration – Policy Development and Coordination, OECD Sigma Programme, May 2018, p. 6</p>	
<p>Štefan Füle European Commissioner for Enlargement and Neighbourhood Policy EMI Congress "CSOs challenge public authorities" Congress of the European Movement International Istanbul, 11 February 2011⁶³</p> <p>Several sources</p>	<p>Support for civil society development in Georgia has long been available through various modalities, which have aimed at strengthening civil society and creating political and policy space for CSO operations. The issue of operational space for pro-democracy civil society actors gained significance in the post-2008 global economic crisis and was highlighted at the highest level, including by the European Commissioner for Enlargement and Neighbourhood Policy, Štefan Füle, who in his speech at the Congress of European Movement International, noted that "good governance is an essential element towards meeting the political criteria for any country to be able to join the European Union. This means that civil society has to be included in any decision-making ... [in as much as] in a participative democracy, the role of civil society is of vital importance in providing an alternative perspective and on occasion in filling a void left by the elected authorities.</p>
<p>EaP 20 Deliverables for 2020, pp. 6-7</p>	<ol style="list-style-type: none"> 1. Strengthened management capacities and technical expertise of CSOs to constructively engage with governments at grassroots, local and national level. 2. 80 Civil Society Policy Fellowships awarded and 300 youth leaders supported 3. Obtain meaningful information on evolutions in participation space for civil society organisations in the Eastern Partnership countries <p>Well-functioning and regular multistakeholder policy dialogue through the Eastern Partnership Civil Society Forum and its National Platforms</p>
<p>Thjis Rommens, "The Eastern Partnership: Civil Society in between the European and Domestic Level: the Case of Georgia", <i>Journal East European Politics</i>, (2014) v. 30, Issue 1</p> <p>Valentina Gevorgyan, "Eastern Partnership Civil Society Forum Revisited," March 2014⁶⁴</p>	<p>Eastern Partnership Civil Society Forum (EaP CSF) and its national platforms are one of the main EU-supported mechanisms that contribute to well-functioning and regular multistakeholder policy dialogue in the EaP region and with the EU. The EaP National Platforms (NPs) were set up as connectors to and coordinators with the EaP CSF, so that they strengthen diversity and plurality of voices on the local and international levels. EaP CSF assessments thus far have been mixed, mostly noting "modest gains" in terms of policy impact and pointing out problematic structures and processes, which are in part responsible for some of the dynamics within NPs.</p> <p>For some time now, the Georgian National Platform (GNP) has been experiencing disenfranchisement of membership, which has led to several well-established CSOs leaving the NP (e.g. TI Georgia, Georgian Democracy Initiative, Europe Foundation), while many others remain inactive and do not participate in its work.</p>
<p>2007-2018 EU's engagement with Civil Society in the enlargement, neighbourhood</p>	<p>Georgian National Platform has been supported by the EU from the very beginning (EUR 50,000 per year) and its most notable achievement is the 2015 MoU between the NP, the Government of Georgia, and the Parliament, to facilitate information sharing on reforms efforts and draft law and regulations, so that CSOs can provide their feedback and thus participate in the AA/DCFTA reforms. It also collaborated with Georgian authorities on</p>

⁶³ https://ec.europa.eu/commission/presscorner/detail/de/SPEECH_11_94

⁶⁴ <https://www.osf.am/wp-content/uploads/2017/11/Eastern-Partnership-Civil-Society-Forum-Revisited-paper.pdf>

regions and Russia, Vol II, p. 226.	<p>the development of the 2013-2016 European Information and Communication Strategy, organized multiple high-level trilateral conferences, and issued numerous statements (though less so in recent years) on salient issues in Georgia and the EaP region. The collaboration on the 2013-2016 European Information and Communication Strategy was underscored by Georgian respondents as the example of EaP CSF NP's contribution to enhancing civil society involvement in policy cycles.</p> <p>The platform is just one of the ways in which EU supports network building and encourages civil society engagement in policy making. The EU support to civil society in Georgia is mainstreamed in all EU assistance programs, with main priorities articulated in the 2014-2017 and 2018-2020 Roadmaps for Engaging with Civil Society. The Roadmaps provide clarity of the EU's country-specific actions and underscore the EU's commitment to supporting Georgian civil society "both financially and politically, through defending and promoting the crucial role [civil society] plays in a democratic society"⁶⁵ The three pillars of the 2014-2017 Roadmap – improvement of the enabling framework, support to involvement in policy dialogue, and capacity development – were acknowledged as still valid in the 2018-2020 Roadmap, which attempted to bring additional focus to EU support to civil society in Georgia, to help civil society in fulfilling its functions and to mainstream its activities in all sectors. The seven priorities of the 2018-2020 Roadmap are summarized in Table 1 below.</p>										
EU Roadmap for Engaging with Civil Society in Georgia 2018-2020, p.4	<p><i>Table 1: Priority Areas for EU Engagement with Civil Society</i></p> <table border="1"> <tr> <td data-bbox="510 592 920 683">General EU engagement with civil society – cross cutting topics</td> <td data-bbox="934 592 1704 683">Priority 1: Provide wide-ranging capacity building for CSOs to perform multiple roles, in particular to engage in policy dialogues, act as watchdogs and as social entrepreneurs</td> </tr> <tr> <td data-bbox="510 687 920 831">Economic development and market opportunities</td> <td data-bbox="934 687 1704 831">Priority 2: Increase CSOs engagement in a more balanced and sustainable territorial development, including agriculture, rural development and food safety Priority 3: Enhance CSOs involvement in the promotion of the DCFTA's practical benefits at all levels of society</td> </tr> <tr> <td data-bbox="510 836 920 922">Connectivity, energy efficiency, environment and climate change</td> <td data-bbox="934 836 1704 922">Priority 4: Support CSOs in promoting energy efficiency, as well as the road safety and air quality, measures, and monitoring their implementation</td> </tr> <tr> <td data-bbox="510 927 920 1013">Strengthening institutions and good governance</td> <td data-bbox="934 927 1704 1013">Priority 5: Increase CSOs participation in the reform of the public administration and security sectors Priority 6: Support CSOs promoting and defending human rights</td> </tr> <tr> <td data-bbox="510 1018 920 1104">Mobility and People-to-People contacts</td> <td data-bbox="934 1018 1704 1104">Priority 7: Increase CSOs engagement in skills development for employment and matching for labour market needs (EVET), as well as youth and culture</td> </tr> </table>	General EU engagement with civil society – cross cutting topics	Priority 1: Provide wide-ranging capacity building for CSOs to perform multiple roles, in particular to engage in policy dialogues, act as watchdogs and as social entrepreneurs	Economic development and market opportunities	Priority 2: Increase CSOs engagement in a more balanced and sustainable territorial development, including agriculture, rural development and food safety Priority 3: Enhance CSOs involvement in the promotion of the DCFTA's practical benefits at all levels of society	Connectivity, energy efficiency, environment and climate change	Priority 4: Support CSOs in promoting energy efficiency, as well as the road safety and air quality, measures, and monitoring their implementation	Strengthening institutions and good governance	Priority 5: Increase CSOs participation in the reform of the public administration and security sectors Priority 6: Support CSOs promoting and defending human rights	Mobility and People-to-People contacts	Priority 7: Increase CSOs engagement in skills development for employment and matching for labour market needs (EVET), as well as youth and culture
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Strengthening institutions and good governance	Priority 5: Increase CSOs participation in the reform of the public administration and security sectors Priority 6: Support CSOs promoting and defending human rights										
Mobility and People-to-People contacts	Priority 7: Increase CSOs engagement in skills development for employment and matching for labour market needs (EVET), as well as youth and culture										
2016 EAMR	<p>The Roadmap has greatly informed the EU support to civil society in Georgia, ensuring that various tools are provided for encouraging local and national authorities to engage with watchdog and service provider CSOs. Thus, according to the 2016 EAMR, "Civil society elements have also been systematically included in a number of programmes such as on criminal justice (e.g. in the criminal justice coordination council, rehabilitation and re-socialisation of prisoners and probationers), Employment and Vocational Education Training (the national EVET council), migration and border management, Human rights (Human Rights for All)."</p> <p>The EU's support to justice sector reforms in Georgia has led to significant funding to CSOs working in this area, encouraging dialogue between CSOs and relevant public authorities on human rights and rule of law issues. Over the review period, it has allocated more than EUR 12.5 million to international consultancies, more than EUR 5.1 to local and international CSOs to support monitoring efforts targeting judicial, prosecutorial, penitentiary, and juvenile</p>										

⁶⁵ EU Roadmap for Engagement with Civil Society in Georgia 2018-2020, p. 3

	<p>justice reforms, as well as to enhance rehabilitation and resocialization services to ex-prisoners and probationers. Additional funding for CSOs working in the rule of law human rights interventions came from EIDHR program, which is implemented by the EU Delegation since 2003. During 2014-2020, sizeable interventions to support civil society on Georgia were available under the DCI through thematic budget lines of European Initiative for Democracy and Human Rights (EIDHR) and the Civil Society Organisations – Local Authorities (CSO-LA). In addition, Georgian civil society has benefited from the EU's multi-country, regional ENI programs, particularly in the fields of human rights, democracy, and the rule of law. With the adoption of the National Human Rights Strategy and Action Plans, CSOs were provided multiple entry points for human rights awareness raising, monitoring and advocacy, as well as for engaging with Georgian authorities through provision of much needed social and legal services to the vulnerable groups.</p> <p><i>CSO engagement with Georgian public authorities was also encouraged under ENPARD program, which started in 2013. Under ENPARD, EU gave out number of grants to CSO consortia to support agricultural cooperatives throughout Georgia, to implement rural development measures and to develop livelihoods in disadvantaged rural regions of Georgia. Through ENPARD, the EU supported interventions to build CSO capacity and enhance civic participation in sanitary and phyto-sanitary (SPS) reforms, which have led to notable successes in encouraging interactions between principal state and non-state actors active in SPS field, creating good preconditions for continuous dialogue better CSOs, food operators, and public authorities.</i></p>
<p>EU Country Roadmap for Engaging with Civil Society in Georgia 2018-2020, p. 14.</p>	<p>Under the same ENPARD, the EU supported a project (2013-2016) aimed at building the capacity of local CSOs in the area of food safety and consumer rights, and to enhance citizen understanding, awareness and participation in these spheres. In addition to raising public awareness on food safety related consumer rights, the project also increased transparency and effectiveness of public institutions charged with implementation of reforms and developed food safety monitoring and advocacy capacities of 13 CSOs and youth groups. The dialogue between public institutions and CSOs on food safety takes place within civic hall public fora where CSOs represent consumer's interests and where public-private dialogues with Food Business Operators also take place.</p>
<p>EU Roadmap for Engagement with Civil Society in Georgia 2018-2020</p>	<p>Some successes are seen in CSO participation in public finance management reforms, most attributable to EU assistance. CSO participation in PFM has been difficult, not only because the relevant public institutions have lacked the appreciation of and the skills to engage with civil society, but because the latter also lack the capacities to contribute to policy dialogue and to oversee reform efforts in this area. This has been highlighted in the Baseline Measurement Report by OECD/SIGMA and the EU Roadmap for Engaging with Civil Society in Georgia, with the latter noting that CSOs “do not have the capacity to sustain a highly specialized dialogue” and require support to engage in fiscal policy development and to wage dialogue with local and national authorities. However, the EU support in PFM/PAR area has empowered CSOs to learn about PFM and fiscal policy making and created space for their operations in this field. Thus, through the Partnership for Budget Transparency project, the EU-supported capacity building of CSOs at both national and local levels in public expenditure monitoring and encouraged dialogue with local and national public authorities through various public fora and sub-grant projects. Importantly, the EU support was instrumental in opening the PFM Coordination Council to all interested civil society organizations, though formal modifications to the Council statute, though this has not led to broad CSO participation, in part, because CSOs still lack the knowledge in this field. Importantly, dialogue between civil society and the Ministry of Finance continued after the project funded, which resulted in new international partnership with Global Initiative for Budget Transparency (GIFT), which unites more than 50 governments, IFIs, and civil society actors to facilitate dialogue between these stakeholders to find and share solutions to challenges to fiscal transparency and participation.</p> <p>One of the largest EU-supported interventions in this area is Georgian Civil Society Sustainability Initiative, implemented during 2017-2020 by Konrad Adenauer Stiftung in partnership with Civil Society Institute (CSI), Center for Training and Consultancy (CTC), Center for Strategic Research and Development of Georgia (CSRDG), and Kutaisi Educational Development and Employment Center (KEDEC). The project strived to strengthen civil society networks and cooperation, to improve operational environment for Georgia civil society, and to contribute to effective CSO engagement in policy dialogue at local and national levels. The same consortium is now implementing another large-scale project – Civil Society STAR Initiative, which builds on the experiences and lessons learned of the earlier intervention and aims at strengthening civil society as an independent, sustainable, transparent, and accountable development actor in Georgia.</p>

I-5.3.5 Parliament has adequate capacity to draft legislation, analyse its impact, etc.

No evidence directly relevant to the capacity of Parliament has been collected. The previous EU Georgia CSE found strong evidence of capacity building delivered by UNDP, support which has continued into the current evaluation period.

Evidence	
Overall assessment of quality and credibility of evidence	There is no evidence relevant to this Indicator.

JC5.4 Human Rights Enhanced

Human Rights Enhanced

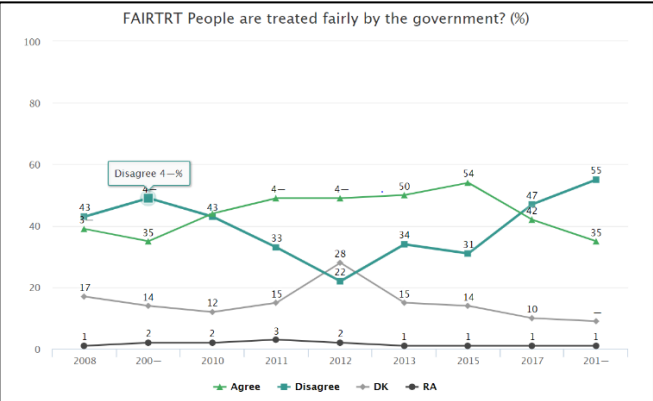
I-5.4.1 Public knowledge and assessment of human rights situation in Georgia (through reports and opinion surveys).

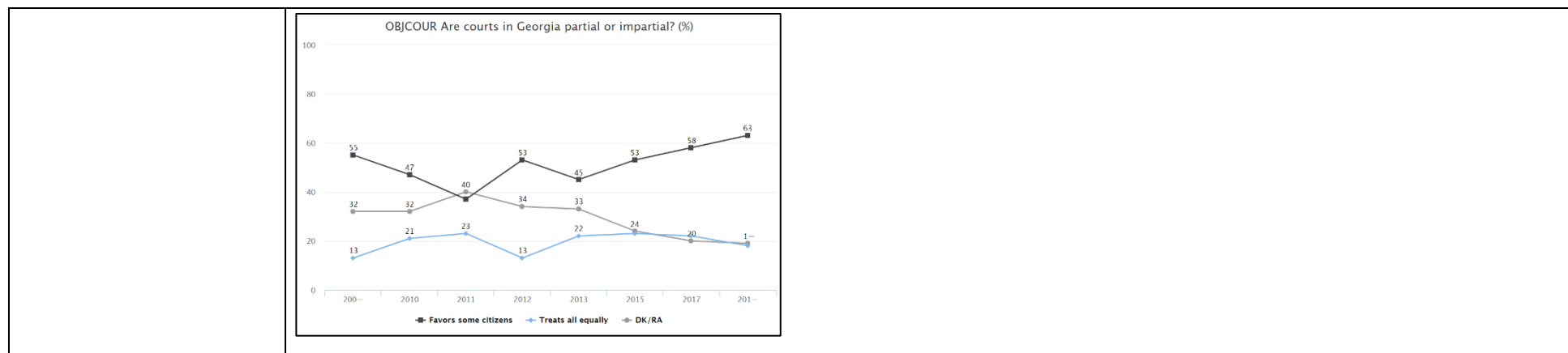
Much of justice sector and public administration reform initiatives implemented with EU support had some level of impact on public knowledge and assessment of human rights situation in Georgia. It is noteworthy that the EU has been the main international donor on supporting anti-discrimination work. However, many international players have contributed to combating prejudices, improving public awareness of human rights and fundamental freedoms, and supporting key public sector institutions (e.g. PDO and the State Inspectors Office) and civil society actors in their efforts to promote and protect human rights. Among them are Sida, Danida, USAID, UN agencies (in part with funds from the EU), the member states (the Netherland, Norway, etc.). Some of the same donors have also contributed to public administration and justice sector reforms, which also impact the people's knowledge and assessment of human rights situation in the country.

There are very few longitudinal surveys of public opinion in Georgia and even fewer of these are asking specific questions that assess the public's knowledge and assessment of human rights situation in the country. One notable exception is the bi-annual EU Knowledge and Attitudes Survey, which conducted by Europe Foundation through CRRG-Georgia. According to this survey, percentage of people who believe that the country's human rights protection situation warrants its membership in the European Union declined from 42% in 2011 to 33% in 2019. The numbers are similar for adherence to the rule of law (42% in 2011, 27% in 2019), protection of minorities (57% in 2011, 37% in 2019), and formation of democratic institutions (41% in 2011, 31% in 2019).

For other surveys, the trends in the public's knowledge and assessment of human rights situation in the country can be deduced from questions that are directly or tangentially relevant to the protection of human rights and fundamental freedoms. Thus, according to the Caucasus Barometer (CB) survey, which is conducted regularly by CRRG-Georgia, the public's assessment of the way people are treated by the government has decreased since 2013 with only 35% noting fair treatment by the government in 2019, as opposed 50% in 2013. The trend is negative on the public's perception of judicial impartiality, as 63% of respondents in 2019 believing that courts favour some citizens over others, whereas this number was 18% lower in 2013. While these trends show a picture of a society that craves improved protection of human rights and fundamental freedoms, it should not be assumed that the Georgian public has good knowledge of what this means or is open and tolerant of differences. Thus, according to the 2021 CRRG report *Future of Georgia*, while "most people think that there should be more women in Parliament, ...fewer think that more ethnic minorities or LGBT people will be good to have in Parliament." The same study shows that while significant difference is observable across the country, "people tend toward being unwilling to vote for people different from them."

Evidence

Overall assessment of quality and credibility of evidence	In view of credible public opinion surveys going back many years, evidence for this indicator is assessed as Strong .																																																		
<i>Sources of information</i>	<i>Evidence</i>																																																		
<p>CRRC Caucasus Barometer multiple waves 2008-2019</p> <p>CRRC Future of Georgia Survey Report, 2021</p> <p>Europe Foundation's EU Knowledge and Attitudes Surveys (2013, 2015, 2017, 2019 waves)</p> <p>Human Rights for All in Georgia ENI/2014/037-382, Financing Agreement</p> <p>Human Rights for All in Georgia, Issues and state of play in the seven key areas of assessment related to the National Policy and Strategy on Human Rights</p> <p>External Assistance Management Reports (EAMRs), 2014, 2017, 2019</p> <p>EU-Georgia Association Agenda 2014-2016 and 2017-2020.</p> <p>Future of Georgia: Survey Report (2021), Caucasus Research Resource Centers Georgia, p. 4.</p> <p>Source: CRRC-Georgia Caucasus Barometer (2008 – 2019 waves)</p>	<p>According to the EU-Georgia Association Agenda (both 2014-2017 and 2017-2020), the EU expected that the dialogue and cooperation will lead to enhanced protection of human rights and fundamental freedoms, including of the rights of persons belonging to minorities, through taking concrete short- and medium-term steps toward (1) strengthening democratic institutions, (2) further reforming the justice sector, and (3) achieving comprehensive cooperation on the protection of human rights and fundamental freedoms. Some of the many measures identified to enhance the protection of human rights and fundamental freedoms for all citizens of Georgia involved democratic conduct of elections, adequate checks and balances in the political system, implementation of decentralization strategy in compliance with CETS No. 122, continuation of justice sector reforms for independent, impartial, transparent, accountable, and efficient administration of justice, and adoption and implementation of a comprehensive human rights strategy that will lead to adequate anti-discrimination policies, improved protection of the rights of PWDs and minorities (broadly defined), and increased awareness of human rights issues among the public and justice sector institutions.</p> <p><i>Public assessment of government treatment (baseline and evolution)</i></p>  <table border="1"> <caption>FAIRTRT People are treated fairly by the government? (%)</caption> <thead> <tr> <th>Year</th> <th>Agree</th> <th>Disagree</th> <th>DK</th> <th>RA</th> </tr> </thead> <tbody> <tr> <td>2008</td> <td>43</td> <td>43</td> <td>17</td> <td>1</td> </tr> <tr> <td>2009</td> <td>35</td> <td>50</td> <td>14</td> <td>2</td> </tr> <tr> <td>2010</td> <td>43</td> <td>43</td> <td>12</td> <td>2</td> </tr> <tr> <td>2011</td> <td>48</td> <td>33</td> <td>15</td> <td>3</td> </tr> <tr> <td>2012</td> <td>48</td> <td>22</td> <td>28</td> <td>2</td> </tr> <tr> <td>2013</td> <td>50</td> <td>34</td> <td>15</td> <td>1</td> </tr> <tr> <td>2015</td> <td>54</td> <td>31</td> <td>14</td> <td>1</td> </tr> <tr> <td>2017</td> <td>47</td> <td>42</td> <td>10</td> <td>1</td> </tr> <tr> <td>2019</td> <td>35</td> <td>55</td> <td>-</td> <td>1</td> </tr> </tbody> </table> <p><i>Public perception of judicial impartiality (baseline and evolution)</i></p>	Year	Agree	Disagree	DK	RA	2008	43	43	17	1	2009	35	50	14	2	2010	43	43	12	2	2011	48	33	15	3	2012	48	22	28	2	2013	50	34	15	1	2015	54	31	14	1	2017	47	42	10	1	2019	35	55	-	1
Year	Agree	Disagree	DK	RA																																															
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I-5.4.2 Ombudsman and State Inspector's Office function effectively and independently.

The EU has long supported the PDO, to the point at which it is now regarded as a credible and trusted institution for the protection of human rights. Particularly valued at the PDO is the flexibility of EU support as compared to public funding. While the PDO has become a high-profile player in Georgian politics, its recommendations are routinely ignored by Government, leading to the observation that it is possible to be independent and ineffective at the same time. EU support to the SIS, which in 2019 received the mandate to investigate possible crimes committed by law enforcement officers, is much more recent. While EU pressure is judged to have contributed to the formation of the SIS in its current configuration, it is still too early to judge precisely how active and independent it will be.

<i>Evidence</i>	
Overall assessment of quality and credibility of evidence	Particularly based on interviews with multiple sources, the evidence for this Indicator is judged to be Strong .
<i>Sources of information</i>	<i>Evidence</i>
Gunar Olesen and Nino Saakashvili, <i>Defending Human Rights in Georgia: An Evaluation of the Cooperation between the Public Defender's Office in Georgia and the Raoul Wallenberg Institute</i> , October 2006, p. 6	<p><u>Public Defender's Office</u></p> <p>The Public Defender's Office (PDO) is a national human rights institution, which was established in 1996 and has not enjoyed much credibility during the first decade of its operations, in part due to politically motivated appointments and weak legal framework, which did not guarantee the institution's independence. The effectiveness and independence of the PDO improved slowly over the years and these improvements were documented by various assessments and public opinion surveys conducted over the years. Thus, according to the assessment of the cooperation between the PDO and Raoul Wallenberg Institute conducted by Swedish International Development Cooperation Agency (Sida) in 2006, the PDO has been able to become a functional institution, increasing its effectiveness and efficiency, though still facing pressing challenges that "relate to capacity development within managerial, monitoring, and other professional skills." Some of the notable changes that have contributed to improved effectiveness and independence of the institution involved the 2009 legislative amendments that ensured that political authorities could not use budget allocations to impact the operational independence of the PDO and provided allocations to increase its coverage throughout the country. Other important achievements before 2014 included</p>

<p>Justice and Human Rights Sector Needs Assessment Georgia: Objectives and Outcomes Framework for EU Programme 2014-2017 by Dovydas Vitkauskas et al., pp. 16-7</p>	<p>granting the Ombudsman the right to act as <i>amicus curiae</i> in courts and vesting the PDO with functions of the National Preventive Mechanism (NPM) envisioned by the OPCAT.</p> <p>Several important legislative changes were enacted after 2012, which granted the PDO additional powers and led to its further institutional development. Among them is the creation of the Anti-Discrimination Mechanism (Department), to support the PDO in exercising its authority as a supervising institution for the implementation of the Law on Elimination of All Forms of Discrimination. Following the adoption of the law, a new structural unit was created under the Ombudsman in 2014 to conduct compliance monitoring, examine complaints, develop recommendations, and engage in educational activities to promote equality and combat discrimination. The PDO is additionally charged with ensuring the implementation, promotion, and protection of the rights provided in the UN Convention on the Rights of Persons with Disabilities (UNCRPD), and with promotion and protection of gender equality through monitoring and responsive measures within its authority. Following the 2015 recommendation of the UN Special Rapporteur on Violence Against Women, Dubravka Simenovic, the PDO became a femicide monitoring watch in the country, annually analyzing the cases of gender-based murders, attempted murders, and suicides committed by women, to identify gaps in the victim protection mechanisms and to make recommendations to the relevant agencies.</p> <p>These positive trends notwithstanding, the needs of the PDO in 2014 were many, including the following: (1) strengthened capacity to serve its mandate as a key human rights oversight and coordinating body among various justice and human rights institutions, including CSOs and the Bar, (2) stronger influence on legislative processes, including improved analytical and research capabilities in legislative drafting, (3) strengthened regional presence and capacities, and (4) greater implementation of its policy, regulatory, and institutional recommendations, through creating concrete institutional mechanisms, such as mandating an obligation of state authorities to report on the implementation of National Human Rights Action Plan (NHRAP). Notably, the lack of political will to heed to the Ombudsman's recommendations was highlighted in the 2007-2013 Evaluation of EU's Cooperation with Georgia, which noted that "over the years, the PDO has experienced difficulties in having the relevant public authorities responding to its recommendations. The fact that government agencies were neglecting their legal obligation to respond to the PDO recommendations ... has been noted in almost every annual report submitted by the Ombudsman to the Parliament of Georgia."</p>																								
<p>Georgia National Integrity System Assessment (2011) and Georgia National Integrity System Assessment (2020), Transparency International Georgia</p>	<p>The National Integrity System (NIS) Assessments conducted regularly by Transparency International (TI) Georgia provides an interesting longitudinal and cross-institutional comparison of the capacity of the Public Defender's Office with those of other institutions making up the system. It shows that the PDO is the best performing public institution in the system in 2020 and also the institution that has shown most progress over the years.</p> <p><i>Table 1: Institutional capacity of Georgia's integrity system institutions</i></p> <table border="1" data-bbox="483 959 1711 1139"> <thead> <tr> <th>Year</th> <th>PDO</th> <th>Judiciary</th> <th>Executive</th> <th>Law Enforcement</th> <th>Parliament</th> <th>Public Administration</th> <th>Civil Society</th> </tr> </thead> <tbody> <tr> <td>2020</td> <td>81/100</td> <td>45/100</td> <td>57/100</td> <td>54/100</td> <td>59/100</td> <td>53/100</td> <td>58/100</td> </tr> <tr> <td>2011</td> <td>63/100</td> <td>43/100</td> <td>69/100</td> <td>68/100</td> <td>54/100</td> <td>50/100</td> <td>40/100</td> </tr> </tbody> </table> <p>Both the 2011 and 2020 reports show that the PDO has the highest correlation of <i>de jure</i> and <i>de facto</i> situation as it relates to its independence, transparency, and accountability than another other public institution. In 2011, the PDO was the third in the overall institutional capacity score, but only due to the higher level of resource allocation to the law enforcement agencies and the level of independence provided by law to the executive branch. By 2020, the PDO has achieved the highest overall institutional capacity score, displaying remarkable correlation of <i>de jure</i> and <i>de facto</i> situation in terms of transparency (100 out of 100), integrity (100 out of 100), independence (75 out of 100), and accountability (75 out of 100). The areas of improvements marked by the 2020 assessment are investigation (extent to which the Ombudsman is effectively dealing with complaints from the public) and promotion of good practices (extent to which the PDO is effective in raising awareness within government and the public about standards of ethical behaviour). Both reports note the reluctance from state institutions, notably the State Security Service and the Ministry of Justice, to cooperate with the PDO on investigating the complaints, as well as the overall low compliance with the recommendations issued by the PDO.</p>	Year	PDO	Judiciary	Executive	Law Enforcement	Parliament	Public Administration	Civil Society	2020	81/100	45/100	57/100	54/100	59/100	53/100	58/100	2011	63/100	43/100	69/100	68/100	54/100	50/100	40/100
Year	PDO	Judiciary	Executive	Law Enforcement	Parliament	Public Administration	Civil Society																		
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<p>Public Defender's Office, The Situation of Human Rights and Freedoms in Georgia, 2018 Annual Report⁶⁶, p. 19.</p> <p>Richard Carver and Lisa Hendley, Does the Georgian NPM Work? An assessment of 10 years of torture prevention (2019), p.44</p> <p>Human Rights and Justice in Georgia: Public Perceptions and Awareness, Final Study Report, commissioned by the EU and UNDP, conducted by ACT⁶⁷ (2017), p. 9</p> <p>CRRC-Georgia Caucasus Barometer (2008 – 2019 waves</p>	<p>In the 2017 parliamentary report, the Public Defender made 344 recommendations for the notice of the legislature and various agencies in the executive. Out of them, 235 recommendations were reflected in the resolution of the Parliament of Georgia... [This said, the overall] situation regarding the fulfilment of the Public Defender's key recommendations is not satisfactory. The recommendations that are made for years are often unfulfilled. There are positive examples that are commendable; however, based on quantitative indicators, they do not create a strong positive trend. The decision-making process is in some cases considerably time-consuming and, given the centralisation, cumbersome. Among others, those recommendations that do not require raising financial resources are not fulfilled.</p> <p>The above-noted findings are corroborated by the EU/OSGF-supported assessment of torture prevention study (basically, a study of the effectiveness of the NPM at the PDO), according to which "a comparison of overall scores for Georgia in 2008 and 2018 ... [shows that] Georgia has implemented changes that have improved their overall torture prevention scores from 63.47% to 67.62%, but there is much room for improvement. Detention practices remain a problem, and prosecution practices remain a bigger problem since there have been no improvements in the latter at all in the past 10 years."</p> <p>According to this study, a major driver for improvements in the country's torture prevention score came from changes in the PDO, notably from improving its monitoring functions. Indeed, according to the 2017 EU/UNDP survey, the visibility of the PDO is fairly high in Georgia, with 68% of those surveyed having heard of the PDO. The gradual broadening of the PDO mandate, together with increased Geographic coverage through establishing new representative offices, has brought about a significant increase in the number of public complaints filed with the Ombudsman. Thus, only during the 5-year period covering 2012-2017, the number of complaints filed to the PDO nearly doubled from 4,291 in 2012 to 8,827 in 2017. Arguably, this level of increase in public complaints could be a result of increased visibility of the PDO and increased awareness of Georgian citizens about the available human rights protection mechanisms.</p> <p>However, it is important to note that the survey data does not show significantly improved public trust in the institution, which has declined since 2012 and hovers around 35%. This is still well below the religious institutions, the army, and the police, though trust in these institutions has also declined over the years. The explanations of this could be many, including the PDO's lower effectiveness in investigating the complaints received from the public, limited but much improved coverage across Georgia, and the increasing attacks on the institution (as well as on pro-democracy civil society actors) from the representatives of the ruling party, many in high public offices.</p> <p><i>Figure 3: Public trust in the PDO (baseline and evolution)</i></p>
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⁶⁶ <https://www.ombudsman.ge/res/docs/2019101108583612469.pdf>

⁶⁷ <https://www.ombudsman.ge/geo/saqmianobis-angarishebi/saqartvelos-saxalxo-damcvelis-2012-2017-wlebis-saqmianobis-angarishi1>

	<table border="1"> <caption>TRUOMB Trust towards Ombudsman (%)</caption> <thead> <tr> <th>Year</th> <th>Trust (%)</th> <th>Neither trust nor distrust (%)</th> <th>Distrust (%)</th> </tr> </thead> <tbody> <tr><td>2008</td><td>66</td><td>27</td><td>7</td></tr> <tr><td>2009</td><td>53</td><td>37</td><td>10</td></tr> <tr><td>2010</td><td>54</td><td>36</td><td>11</td></tr> <tr><td>2011</td><td>48</td><td>40</td><td>11</td></tr> <tr><td>2012</td><td>51</td><td>42</td><td>7</td></tr> <tr><td>2013</td><td>36</td><td>52</td><td>12</td></tr> <tr><td>2014</td><td>32</td><td>50</td><td>18</td></tr> <tr><td>2015</td><td>32</td><td>50</td><td>18</td></tr> <tr><td>2016</td><td>36</td><td>44</td><td>21</td></tr> <tr><td>2017</td><td>36</td><td>44</td><td>21</td></tr> <tr><td>2018</td><td>35</td><td>43</td><td>22</td></tr> <tr><td>2019</td><td>35</td><td>43</td><td>22</td></tr> </tbody> </table>	Year	Trust (%)	Neither trust nor distrust (%)	Distrust (%)	2008	66	27	7	2009	53	37	10	2010	54	36	11	2011	48	40	11	2012	51	42	7	2013	36	52	12	2014	32	50	18	2015	32	50	18	2016	36	44	21	2017	36	44	21	2018	35	43	22	2019	35	43	22
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<p>Georgia in Transition, Report on the human rights dimension: background, steps taken and remaining challenges, assessment and recommendations by Thomas Hammarberg (2013).</p> <p>Maggie Nichols, Implementation of the National Strategy for Human Rights in Georgia, 2014-2020: Progress, challenges, and recommendations as to future approaches, October 2019, p. 31.</p>	<p><u>State Inspector's Service</u></p> <p>Civil society organizations and the Ombudsman have long flagged the problem of violation of right to privacy in Georgia. However, as Thomas Hammarberg noted in his seminal report, it was only in 2013 that “the extent of Government control over the private lives of certain citizens, and the determination that there was a direct link between the servers of all telecom companies and the Ministry of International Affairs. The report stressed that “the handling of electronic communications should be clearly regulated and monitored under democratic and judicial control.” The same report also underscored another perennial problem in Georgia – investigation of alleged crimes and misconduct committed by law enforcement officials, imploring the decision makers “to minimise the pernicious consequences of ‘colleagues investigating colleagues’ ... [and] seriously consider introducing an independent investigatory agency to investigate all ill-treatment and torture related complaints.”</p> <p>The Georgian authorities were quick in responding to the mounting pressure from the public and international community, most notably the EU, on personal data protection problems, establishing an office of a Special Inspector for Data Protection in 2013. With the adoption of the National Human Rights Strategy, the Government of Georgia took on the obligation of “establishment of high standards of protection of the right to privacy,” guaranteeing the right to privacy and the protection of personal data following international principles. The Office of a Special Inspector for Data Protection was created to fulfill the tasks outlined in the strategy: (1) bring Georgian legislation in line with international and European standards, (2) create an effective monitoring/supervisory mechanism to guarantee a high standard of protection of the personal data of all citizens by all relevant institutions, (3) train the investigatory service staff, to avoid any potential infringements of the right to privacy, and (4) implement effective measures to raise public awareness on privacy rights and the protection of personal data. Several legislative amendments were adopted since the original law came into force which the critics believe can have mixed impact on the Data Protection Inspector's independence and effectiveness. Thus, expanding the Inspector's authority to the private sphere and law enforcement has been seen as a positive step forward, while the introduction of the two-key system “was considered by many to be an inadequate safeguard.</p>																																																				
<p>Source: Human Rights and Justice in Georgia: Public Perceptions and Awareness, Final Study Report, commissioned by the EU and UNDP, conducted by ACT (2017), p. 6</p>	<p><u>Public opinion on the Office of the Special Inspector for Data Protection</u></p> <ul style="list-style-type: none"> • Half of those surveyed fear that personal data in the nation is vulnerable to unauthorized or illegal collection, maintenance and publication (47-48%). • Two-thirds (65%) of the Georgian population desires that the State not permit any illegal collection, maintenance, or publication of personal data, even for security considerations. • 18% of those surveyed have heard about the Office of the Personal Data Protection Inspector. • More than half of them (54%) positively evaluate efforts of the Office of the Personal Data Protection Inspector. 																																																				

	Even though personal data protection (PDP) was identified as part of human rights only recently, the awareness of PDP is quite high. It is noteworthy that the majority links personal data violations to state law-enforcement and ignores threats to personal data in private sector
Personal Data Protection Service, "About us" ⁶⁸	Although the Georgian authorities were quick to create an office of the Personal Data Protection Inspector, it took them another 6 years and multiple recommendations, including the 2019 CPT report, to address the need for an independent investigatory mechanism that will review the possible misconduct of law enforcement officials. Following the adoption of the Law on the State Inspector's Service, the Personal Data Protection Inspector's Office was transformed into the State Inspector's Service (SIS), which together with monitoring the lawfulness of personal data processing and covert investigative activities was authorized to investigate "grave crimes committed by a representative of law-enforcement authorities, by an official or a person equal to an official against human rights and freedoms, investigation of malfeasance crimes committed with the use of violence or insulting personal dignity of a victim." While the law was adopted in July 2018, the investigative direction to become
Strategy of the State Inspector Service for 2020-2021 ⁶⁹	Given that the investigative direction of the SIS started to function 1.5 years ago, it is difficult to talk about progress made to date. However, it is important to highlight that the SIS has since developed a two-year Strategy in the Direction of Investigations in fulfilment of its mission "to conduct an effective investigation into certain crimes committed by a representative of a law enforcement body, an official or a person equal to him." According to this strategy, the SIS faces the following four challenges, as it works toward achieving its mission and objectives in this area: "effective activation and further strengthening of the investigative function of the Service; ensuring the investigation process in accordance with international standards; increasing public confidence in the investigation of crimes under the service; balance of personal data protection and investigative directions, their proper management and ensuring a high level of professionalism." It understands the importance of cooperation with PDO, international organizations and relevant treaty bodies, and local civil society, and seems to be open to cooperation with them, as noted in various reports by Institute for the Development of Freedom of Information (IDFI), Social Justice Center (formerly EMC), Open Society Georgia Foundation (OSGF), etc. The most recent example of this cooperation is the 2021 joint summer school on personal data protection organized by IDFI and SIS for Georgian law students within the frames of IDFI's project funded by Sida and the Dutch MFA.
Report on the Activities of the State Inspector's Office (2020), pp. 124-143 Statement Concerning the Annual Report of the State Inspector's Office issued by IDFI and the Social Justice Center on April 7, 2021 ⁷⁰	<u><i>SIS Parliamentary Report 2020 on Investigative Activities</i></u> In 2020, the Investigative Department of the State Inspector's Service launched investigation into 270 criminal cases, of which 267 were based on the reports received and 3 – on the decisions of criminal case separation...Of the alleged [370] victims, 55 are representatives of ethnic minorities, 15 are foreign nationals, 2 are persons with mental illness, 1 is with disability, and 1 is stateless. 96% of the alleged victims are adults, 3% - are minors, and the age of 4 persons is unknown, as they could not be identified. Most of the reports indicating signs of crime were received from the Temporary Detention Department of the Ministry of Internal Affairs. In some cases, the same fact was reported by several sources...Investigations were launched on 48% of reports containing signs of crime on the day of receipt, 25% - on the second day, 8% - on the third day, 14% - within a week, and 5% - after one week...In 2020, investigators from the Investigative Department conducted 4,240 investigative and procedural actions (2,547 persons were interviewed). Given the restrictions enacted during the COVID-19 pandemic, the work of the Investigative Department seems impressive. However, it is too early to judge the independence and effectiveness of the SIS' investigations, as time is needed to see the outcomes of these investigations. According to the report, of the 270 cases investigated in 2020, the Prosecutor's Office launched criminal prosecution against 1 individual and terminated investigation of 12 criminal cases. This could signal the law enforcement's reluctance to work with the Inspectorate. The report also notes that the prosecutor's have changed the qualification of crime in 14 criminal cases (5 at the start of SIS investigations and 9 after carrying out investigative and procedural activities). According to CSO assessments, this demonstrates "excessive power of the Prosecutor's Office over the investigation process," as changing the qualification of a crime shortly after launching an investigation "makes the investigator investigate the case with the qualification he/she disagrees with, which may have a serious impact on the outcomes."

⁶⁸ <https://personaldata.ge/en/about-us#>

⁶⁹ <https://stateinspector.ge/uploads/files/strategy-of-the-state-inspector-service-for-2020-2021-in-the-direction-of-investigation.pdf>

⁷⁰ https://idfi.ge/en/statement_regarding_the_report_of_the_state_inspector_service

	<p>There are other legislative, budgetary, and institutional issues that could lead to low levels of independence and effectiveness of the SIS. According to a recent study conducted by the Institute for Development of Freedom of Information (IDFI), the effectiveness of the SIS is hindered not only by the investigative mandate (which excludes investigations of non-violent crimes and alleged crimes committed by the Minister of Internal Affairs, the Prosecutor General, and the Head of the State Security Services), but also by the clear lack of human, financial, and infrastructural resources. Moreover, civil society partners working with the SIS caution about the possibility of exerting political influence when appointing the State Inspector and see a clear threat to the SIS independence in the statutory requirement, which precludes the SIS investigative department from “accessing information kept in computer systems (video recordings) without the approval from the Prosecutor’s Office even when there is a threat of destroying evidence, which could serve as the main basis for investigating alleged crimes committed by law-enforcement representatives.” These are not new concerns, as the UN OHCHR voiced its concerns of granting immunity to the cabinet-level law enforcement officials well before the adoption of the law. It also felt that the independence of the SIS will be jeopardized if its investigators are precluded from applying to the courts directly without the prior consent of the Prosecutor’s Office of the Prosecutor.</p>
EAMR 2016	<p><u>EU support</u> The PDO has been supported by the EU through various means, among them through Human Rights for All initiative under the 2014 Special Measures for Georgia and Moldova Programme (EUR 10 million), which these countries received after the events in Ukraine and were to supplement the EU-Georgia policy dialogue on human rights. According to the 2016 EAMR, this initiative complemented well other actions directed toward strengthening these institutions, including the EU Justice Sector Policy Support and CIB programmes, with the latter focused on the protection and promotion of human rights in Georgia, in part, through “activities related to institutional strengthening [of the PDO] (including the National Preventive Mechanism), regional accessibility and awareness-raising.”</p> <p><u>Objectives of the EU’s Human Rights for All initiative</u> The overall objective is to strengthen human rights protection in areas prioritised by EU-Georgia agreements, including the rights of minorities and vulnerable groups, internal and external oversight of law enforcement, protection of privacy, labour rights, freedom of expression and information. The Action aims at strengthening the capacities of state institutions like the NHRSAP Inter-Agency Council, the Personal Data Protection Inspector, the Anti-Discrimination Mechanism (embedded in the Ombudsman), government institutions on labour and child care, the Ombudsman and the Parliamentary Committees of Human Rights and Legal Issues. Civil society organisations (CSOs) and media organisations benefit from the Programme (9 grants have been awarded under a call for proposals).</p>
EAMR 2020	<p>Other EU-supported interventions that have targeted the PDO included the Combating All Forms of Discrimination in Georgia Project carried out during 2016-2020 to enhance the capacity of the Equality Department for better implementation of the anti-discrimination law, to increase human rights awareness with a view to combating prejudices which lead to discrimination, increase capacity of the PDO to address the human rights situation of various minorities and vulnerable groups, including PWDs, prisoners, women and conflict affected individuals, and support to strengthen the analytical capacity of the Office. Despite the lack of full spending, the 2020 EAMR assessed the project implementation as successful, since “all project objectives being achieved with less financial inputs: the new Public Defender incorporated structural changes as recommended, e.g. through integrating certain positions into the PDO’s budget instead of the project’s budget. These were welcome measures in terms of sustainability.</p> <p>Furthermore, PDO was noted as a secondary target institution for the Support to the Independence, Accountability, and Efficiency of the Judiciary Project (ENI/216/377-910), but additional information is unavailable to gauge the level of support to the institution through this project. Another EU-funded intervention that has supported the PDO is the Unite to Fight Violence against Women project implementing by UN Women. The latter’s gender specialists have worked with the PDO’s Gender Equality Department and the regional offices in Kakheti, Kvemo Kartli, Samegrelo, and Samtskhe-Javakheti to strengthen their effort in promoting gender equality and women’s rights, most notably in the area of combating domestic violence, early marriages, and the rights of LGBT+ community.</p> <p>The 2017-2020 Single Support Framework (SSF) for EU Support to Georgia highlighted the need “to promote a rights based approach encompassing all human rights with particular attention to the rights of vulnerable groups, including women, youth, people with disabilities and minorities,” as well as</p>

	<p>the importance of continuous support for the implementation of the Human Rights Strategy and Action Plan, which include provisions on strengthening the PDO and the SIS investigative work.</p> <p><u>State Inspector's Service</u></p> <p>The EU-Georgia Association Agenda 2014-2017 highlighted private data protection as one of the priority areas, underscoring that it is important to “ensure a high level protection of personal data in accordance with European standards and take appropriate legislative and practical steps towards greater respect for the right to privacy” both in the criminal justice field and the private sector. In this regard, the emphasis was put on strengthening the capacity of the data protection inspector (now SIS), so that it effectively serves “the role of independent supervisory authority with adequate powers and obligations.” The same document continued to acknowledge the importance of “increasing the accountability and democratic oversight of law enforcement agencies,” and recommended that the Georgian authorities “consider establishing a full-fledged independent complaint mechanism to investigate” complaints against the police and prosecutors. This recommendation was repeated in the 2017-2020 EU-Georgia Association Agenda, but in a more forceful manner, identifying the establishment of an independent investigative mechanism to investigate allegations of ill treatment by law enforcement bodies as one of the “reform actions [that] should be addressed as a matter of priority.”</p> <p>The establishment of the independent investigatory mechanism under the SIS is considered a success that can be attributed to the EU efforts. According to the 2020 EAMR “Despite mixed results in the judiciary and prosecution, a state inspectorate (investigating abuses by law enforcement officials) has been set up and lasting progress on legal aid, juvenile justice, children rights was achieved with EU support.” This has been confirmed by an independent assessment of the implementation of the 2014-2020 National Human Rights Strategy, though the assessor has cautioned about the transformation of the Office of the Personal Data Protection Inspector into the SIS, hoping that the State Inspector “will continue to have the wherewithal to maintain further forward movement on these issues.”</p> <p>The SIS, together with the MIA and the Office of the State Prosecutor of Georgia, is one of the beneficiaries of the current EU-funded 2-year project Improving Prosecution and Investigative Quality in Georgia, which is implemented by International Consulting Expertise (2020-2022). This project contributes to achieving the objectives of the EU4Security, Accountability and Fight against Crime in Georgia (SAFE), by providing TA and capacity building to the SIS, “to enhance strategic and accountable approach, human resources management, separation of functions, specific prosecutorial and investigative practices, and the investigation.” It seems that the State Inspector’s Office also benefitted from capacity building support through the ICE-implemented Support to the Development of Criminal Policy, Prosecution and Investigation Project (EuropeAid/137742/DH/SER/GE), namely through its 6th component (Human Rights), as well as the joint EU-COE project CyberEast, which is implemented in the EaP region by the COE under ENI. The SIS is one the beneficiary institutions of the CyberEast project, given its powers and the need to increase the investigators’ sills on cybercrime and electronic evidence. Lastly, as noted above, SIS and PDO are both beneficiary institutions of the EU’s Human Rights for All Initiative.</p> <p>EU support to the civil society seems to have had direct impact on the establishment of the independent investigatory mechanism at the SIS, as well as on the expansion of the PDO mandate and the creation of the anti-discrimination mechanism. The contributions to effective and independent functioning of these offices were made through monitoring, assessment, and advocacy efforts, often supported by the institutions in question. For example, it is in large part due to the concerted advocacy efforts of Georgian CSOs (<i>It affects you too</i> (ეს შენ გეხება) campaign) that the issue of illegal wiretapping and surveillance has been put on public policy agenda and has been litigated in the Constitutional Court. The CSOs, supported by the EU, USAID, and other donors also succeeded litigating their case in front of the Constitutional Court, which agreed with the plaintiffs that the “two-key” surveillance system was unconstitutional and required a new legislation. While the legislation was amended after the court decision, a new Constitutional Court case is pending, as CSOs doubt that the new legislation (adopted in 2018) conforms with the earlier court decision. Importantly, the work of CSOs on the ground, including their efforts to document human rights situation in Georgia, has been used in the Ombudsman’s reports, which arguably has contributed to the effective functioning of the Office.</p>
Maggie Nichols, Implementation of the National Strategy for	In respect of the justice system, penitentiaries and the prevention of torture and ill-treatment, a number of highly positive changes were noted. Most notable among these was the establishment in 2019 of the State Inspector Service as the long-awaited independent investigation mechanism to look into alleged cases of misconduct by law enforcement officers. A welcome indication of the Government’s resolve to fight impunity, the State Inspector

<p>Human Rights in Georgia, 2014-2020: Progress, challenges, and recommendations as to future approaches, October 2019, p. 5</p>	<p>must be provided with the resources necessary to function effectively from the outset, and the Prosecutor's Office and the courts to lend their essential support.</p>
<p>Update on the SIS based on the developments that took place after the completion of field interviews:</p>	<p>On December 30, 2021, the Georgian Dream-led Parliament adopted a new law, which abolished the State Inspector's Service. The GoG and Parliament representatives have noted in their interviews that this is not an abolishment of the SIS, but rather an improvement, as after March 1, 2022, Georgia will have two new agencies: Special Investigation Service and Personal Data Protection Service. According to the State Inspector, the initiation of the draft law on December 22 (8 days before its final adoption) was a "New Year's Eve surprise" for her and her colleagues, which they learned from the news agency InterpressNews (https://www.radiotavisupleba.ge/a/31626506.html). Following this expedited decision, the current State Inspector elected by the Parliament for a 6-year term only 2 years ago, as well as her deputies will be let go and the new agencies will be staffed based on the results of another competition and elections.</p> <p>International partners, including the EU, as well as the PDO, the President, and pro-democracy civic leaders, have condemned the expedited and untransparent way in which the ruling party devised and adopted the new law. According to the EUD statement issued on December 28, 2021: "Whereas there could be reason to legislate to improve the investigative and data protection functions currently vested in the State Inspector's Service, such changes should be done in an open and transparent process, with a meaningful, broad debate, including civil society and the State Inspector's Service itself. The State Inspector's Service is Georgia's independent mechanism for investigating ill-treatment and abuse of power committed by law enforcement officials and is thus a key institution for a well-functioning democracy and for the protection of human rights. The European Union was engaged in the creation of this Service and has invested substantial financial and human resources in its development. We are, therefore, very disappointed to see these actions, and regret the fact that it has not proved possible for EU representatives to engage with the Parliament on this matter"⁷¹.</p> <p>The US Embassy in its statement noted that "the ruling party undermined government accountability by abolishing the State Inspector Service, which is mandated to investigate police abuse and protect data privacy, undermined the independence of individual judges by amending the Law on Common Courts, and undermined faith in the judiciary by appointing yet another Supreme Court judge using a flawed selection process. No credible reasons were provided to the public for why these actions needed to be rushed through without appropriate consultations. The lack of transparent discussion or analysis of the amendments is particularly troubling. Whether intended or not, the ruling party sent the message that independent oversight of the government or dissenting voices, even when prescribed by law, will be answered with retaliation, discipline, and dismissal"⁷².</p> <p>The PDO issued a statement that the Law abolishing the SIS was unconstitutional⁷³ and the UNCT noted the following: "We are particularly concerned about the expedited manner and lack of inclusive and transparent discussions about the abolition of one of the most credible, independent and authoritative institutions in Georgia that is mandated to investigate alleged human rights violations committed by law enforcement officials and is entrusted with the oversight of personal data protection. The lack of convincing justification for abolishing the State Inspector's Service and the absence of compelling rationale for stripping the State Inspector of her six-year mandate sends a chilling message to independent institutions of human rights protection. We are concerned that the substantial broadening of the list of crimes falling within the mandate of a newly created Special Investigation Service entails a serious risk of overburdening the agency and distracting its team from fulfilling its primary mandate to combat impunity. We recall the recommendation by UN Special Rapporteur on torture and other cruel, inhuman or degrading treatment or punishment on his mission to Georgia (2015)</p>

⁷¹https://eeas.europa.eu/delegations/georgia/109365/eu-delegation-responds-expedited-procedures-georgian-parliament-relating-state-inspectors_en?fbclid=IwAR0HQ_eKQKAZQof7DJwAEWnvhyeFaaV76yEm4LKtpxlen2vRM8bQXeU74

⁷² <https://ge.usembassy.gov/u-s-embassy-statement-on-the-ruling-partys-rushed-end-of-year-legislation/>

⁷³ <https://civil.ge/archives/464581>

	stating concerns ‘at the risk that unduly broad jurisdiction, whether exclusive or discretionary, may make the task of the [State Inspector] overly burdensome [if] ... offences committed by law enforcement agents that are not part of the core group of torture or cruel, inhuman or degrading treatment or punishment... [fall within its mandate]’. ⁷⁴
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I-5.4.3 Human Rights NGOs, including women’s rights NGOs, function effectively.

Georgian civil society is pluralistic, vibrant, and resilient; the issue is whether it has maintained its effectiveness as an agent for reform and European association. EU support for civil society in Georgia has been comprehensive, covering all human-rights related issues (RoL free expression, disability rights, anti-discrimination, gender, etc.), utilising all instruments and modalities (Grants under DCI budget support, projects both bilateral and regional, DCI thematic programmes, sub-contracts from international implementing partners, EIDHR, CSO/LA, GPGC, IcSP). With such support, Georgia civil society has become widely recognised as the strongest in the South Caucasus, and indeed in the Eastern Neighbourhood. Civil society flowered particularly in the years following the fall of the Saakashvili government, and played a major role in shaping the reform agenda and monitoring its progress. EU support has contributed greatly to progress in human rights that can, in significant degree, be attributed to the constructive relationship between civil society and government. Relations, while not always harmonious, were cordial and profited from the fact that there was a great deal of exchange, in both directions, of senior figures between civil society and government.

All evidence examined testifies to shrinking space and an increasingly acrimonious relationship between civil society and government since the runup to the 2016 parliamentary elections and, in particular, since the 2018 presidential election. Contributing to the deterioration is the fact that, whereas Georgian civil society has focused mainly on civil and human rights, public concerns increasingly focus on economic issues such as unemployment and poverty, a trend that the populist has opened civil society to the risk of being characterised by hostile forces as elite troublemakers promoting non-Georgian interests and values.

<i>Evidence</i>	
Overall assessment of quality and credibility of evidence	Documentary evidence, much of it coming from credible international human rights NGOs, is highly persuasive. Barring further interviews with Government and civil society representatives, as well as the EUD itself, evidence for this indicator must remain assessed as Medium .
<i>Sources of information</i>	<i>Evidence</i>
EU Roadmap for Engagement with Civil Society in Georgia (2014-2017)	As discussed above under JC 5.3 Indicator 4 (Adequate engagement of Government and Civil Society), during the first half of the evaluation period, Georgian civil society appeared to be insulated from the global phenomenon of shrinking space. In fact, the initial years after the 2012 elections were marked with several successful examples of state-civil society cooperation, many in the field of rule of law and human rights. This included good cooperation of the Ministry of Justice and the Parliament with civil society organizations, most members of the Coalition for Independent and Transparent Judiciary and the Coalition for Media Advocacy, which resulted in several legislative amendments toward improved media climate and independent and impartial judiciary. Human rights CSOs were also actively engaged “in the selection of some key officials due to nomination procedures put in place under both the previous and present governments,” including the Ombudsman, the Chair of the Central Election Commission, and the first ever Personal Data Protection Inspector. ⁷⁵
Georgia in Transition, Report on the human rights dimension: background,	NGOs and international monitoring bodies have reported that the independence of the judiciary was undermined by a lack of checks and balances. They noted a concentration of power within the judiciary itself - particularly to the High Council of Justice (HCJ) and its Chairman. NGOs also cited continuing problems of transparency in the selection, appointment, and disciplining of judges and found that the selection criteria were not sufficiently

⁷⁴ <https://civil.ge/archives/464581>

⁷⁵ EU Roadmap for Engagement with Civil Society in Georgia (2014-2017), p. 5.

<p>steps taken and remaining challenges, assessment and recommendations by Thomas Hammarberg (2013).</p>	<p>based on merit. <u>Based on NGO recommendations and in consultation with the Venice Commission, the new Government initiated and adopted reforms to improve the independence of judges and ensure the transparency of the judiciary and its procedures</u> (p.13).</p> <p>During the spring session 2013 the Parliament adopted important amendments to the media laws. <u>The initiative was coming from the civil society Coalition for Media Advocacy and was supported by OSCE experts.</u> The new law envisages a reformed and more democratic composition of the Board of the Public Broadcaster; measures for more financial transparency of television companies; and the expansion of the mandatory “must-carry-must-offer” principle from only pre-election period to permanent action (p.38).</p>
<p>2020 Nations in Transit Georgia Country Report</p> <p>CIVICUS Live Rating for Georgia</p> <p>Human Rights House Foundation⁷⁶</p>	<p>Following the consolidation of power by the ruling party, the past several years have been very turbulent for the country’s civil society and their leaders. The turbulence has been more intensely experienced by CSOs working on elections, the rule of law, and human rights, which were noted by Georgia’s international partners. Thus, Georgia’s Freedom House democracy score fell to 4.68, following the attacks on CSOs, their leaders, and human rights defenders by public officials, illegal arrest and deportation of Azerbaijani human rights defender Afgan Mukhtarli, concerns over judicial appointments and the functioning of the court system, changes in the law on broadcasting, politically motivated prosecutions, and multiple irregularities observed during the 2018 Presidential elections. Operational space for human rights CSOs decreased in the aftermath of the Presidential elections, with international observers condemning the excessive use of force against the June 2019 peaceful protestors and 2021 Tbilisi Pride participants, contentious judicial appointments, and increasingly vocal verbal attacks against local and international pro-democracy actors by the ruling party and government representatives. This trend toward consistently shrinking space for pro-democracy civil society actors has been identified by other international organisations, including CIVICUS, which rates Georgia’s civic space as ‘narrowed.’ During the past 3-4 years, smear campaigns against human rights and women’s rights CSOs are on the rise. These actors are often accused of promoting foreign values, lacking legitimacy, and taking political sides. Illiberal non-state actors, including the Georgian Orthodox Church, are strongly pushing for an anti-human-rights agenda and often resort to threats and violence to silence democratic voices.</p>
<p>2018 Civil Society Sustainability Index for Europe and Eurasia</p>	<p>Despite the attacks and shrinking space, Georgian civil society has shown remarkable resilience. While the Nations in Transit score for civil society remained unchanged at 3.75 for almost a decade since 2009, it was recently been upgraded to 4.25, not the least because of the vibrancy and diversity of the sector, which is comprised of human rights and watchdog, social service providers, and grassroots youth movements (a fairly recent development). Independently and in thematic coalitions, they have contributed to raising public and international awareness about infringements of human rights and fundamental freedoms, elite corruption and state capture, environmental degradation, the situation in Abkhazia and South Ossetia, including on human rights, etc. They have either initiated or participated in every important national or regional debate in Georgia, at times exerting some influence on public authorities. However, their efforts “had limited influence on some of the most critical issues, including the controversial constitutional amendments and judicial appointments.”⁷⁷</p>
<p>Assessment of Civil Society Sector in Georgia, Tbilisi, 2019</p>	<p>It would be fair to say that Tbilisi-based CSOs working on human rights, democracy, and rule of law issues are some of the most developed in Georgia, in large part because most donor funding in the past decade targeted these issue areas. They are also most visible nationally, given the saliency of the issues they address and the media profile of their leaders and staffers, which are often invited to share their views on national TV stations.⁷⁸ During the early stages of civil society development, these CSOs mostly served a watchdog function, monitoring public authorities to document wrongdoings and advocating for improved implementation of Georgia’s international and national human rights obligation. In time, with donor support and given the unmet needs of vulnerable population (inmates, probationers, PWDs, IDPs, juveniles in conflict with law, etc.), they also started to engage in social service delivery. At the same time, these CSOs share some of the same weaknesses as other members of Georgian civil society. Namely, they are almost fully dependent on international donor funding and most need to improve links to their constituencies. CSOs working on elections, anti-corruption, civil and political rights are targets of attacks and smear campaigns from various actors, including prominent politicians, which creates hostile environment for their effective operation.</p>

⁷⁶ <https://humanrightshouse.org/statements/hrc45-human-rights-in-georgia/>, <https://humanrightshouse.org/letters-of-concern/protect-rights-lgbt-community-defenders-georgia/>,

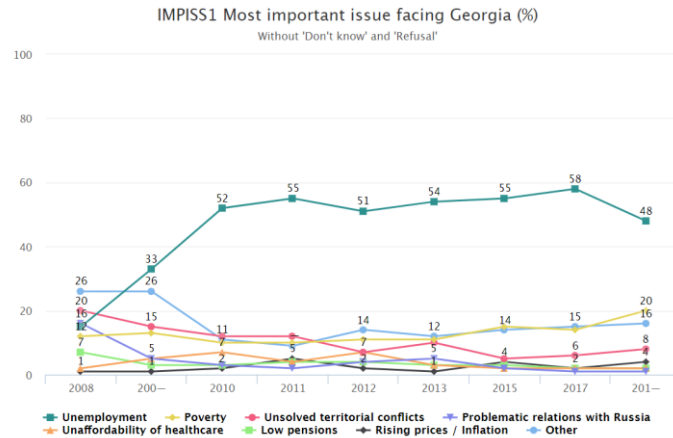
⁷⁷ See *2018 Civil Society Sustainability Index for Europe and Eurasia*, p. 109.

⁷⁸ Bakur Kvashilava, Barkaia, Z. and Gogilashvili Kh., *Assessment of Civil Society Sector in Georgia*, Tbilisi, 2019, p. 15-7

<p>Civil Society Brief Georgia 2018</p>	<p>Women's rights CSOs in Georgia work on a wide range of issues related to women's political and economic empowerment, awareness raising on gender equality and women's rights issues, combatting domestic violence, including provision of services to victims of domestic violence, etc. They do so through research, development of policy recommendations, monitoring of government compliance with national and international obligations, and advocacy. Georgian women's rights CSOs are vibrant and strong, able to convey the message of gender equality and women's empowerment both nationally and international. However, they are also somewhat divided, unable to form lasting coalitions. "This problem stems from the different approaches taken by organizations to women's rights and empowerment. Some women's CSOs focus more on gender equality issues and use the less controversial methods of activism, whereas others put a stronger emphasis on traditional feminism, which in Georgia is considered unconventional and counterproductive."⁷⁹ This is not specific to just women's rights CSOs, as the same division is notable among other civil society members working on human rights, as watchdog CSOs and human rights defenders are more vocal in their advocacy efforts than those in service delivery, not the least because they fear repercussions, including denial of access to some of the vulnerable groups (e.g. inmates, probationers, etc.) by public authorities or discontinuation of state funding.</p> <p>An overwhelming majority of women's rights CSOs in Georgia often have disagreements with one of the country's most influential nongovernment institutions: the Georgian Orthodox Church. While most women's CSOs in Georgia promote women's participation, economic empowerment, and sexual rights (including abortion), the Georgian Orthodox Church interprets these principles as threats to religious dogmas and to traditional Georgian values. This conflict of philosophical beliefs is notable between the Church and all pro-democracy civil society actors operating in Georgia.</p>
<p>The Kvinna till Kvinna Foundation</p>	<p>Unlike the CSOs working on human rights, elections, and rule-of-law issues, Georgian CSOs working on women's rights and gender equality issues get direct support from various IOs and INGOs, most notably by the United Nations Entity for Gender Equality and the Empowerment of Women (UN Women), United National Population Fund (UN FPA), and Kvinna till Kvinna Foundation. UN Women is a prominent supporter of women's rights CSOs in Georgia and it is largely funded through EU and Sida. It often serves as a bridge between the government and the CSOs, and provides grants for women's CSOs, both at the local level and in the capital. For example, UN Women leads an Advisory Work Group that shares information on issues related to women and gender with women's CSOs so they can be more effective advocates vis-à-vis the government. Its support also includes other forms of capacity building for women's CSOs. Kvinna till Kvinna is also actively involved in supporting women's rights CSOs in Georgia (including in the breakaway regions of Abkhazia and South Ossetia), as it believes that "while civil society has more freedom in Georgia than elsewhere in the region [...] [t]heir space to defend women's rights cannot be taken for granted."⁸⁰ The Women's Fund in Georgia is the primary local donor to women's CSOs, itself being funded by various international women's funds and development organizations.</p>
<p>CRRC-Georgia Caucasus Barometer</p> <p>Action Document for Civil Society Facility 2015 EU Country</p> <p>Roadmap for Engaging with Civil Society in Georgia (2014-2017)</p> <p>Civil Society Organizations' State Funding Reform Policy Paper 2018</p>	<p>Human rights and women's rights CSOs have to fight an uphill battle to function effectively, as they have to counter many different challenges along the way. One of the challenges is the perennial lack of trust in civil society, which has marginally increased over the years, but is still lower than the public's trust in many government institutions and the Church. Another issue is what society perceives to be its most pressing need. In Georgia, social and economic issues, such as unemployment and poverty are viewed as most salient by the majority of the surveyed population. Thus, the work of human rights and women's rights CSOs is often downplayed or considered exogenous or driven by foreign donors and interests. This, according to many, has contributed to lower trust in CSOs working on human rights.</p> <p>Figure 1 Public perception of the country's most pressing needs</p>

⁷⁹ *Civil Society Brief Georgia*, Asian Development Bank (2018), p. 6.

⁸⁰ <https://kvinna.tillkvinna.org/about-us/where-we-work/caucasus/georgia/>, accessed on September 10, 2021



Source: CRRG-Georgia Caucasus Barometer (2008 – 2019 waves)

The fact that social and economic issues have not been as much covered by CSOs has been noted in the USAID-funded 2019 sector assessment, as well as in the 2015 Civil Society Facility action document for Georgia, according to which “well-established (mainly Tbilisi-based) NGOs have acquired great experience in promoting and upholding civil and political rights, while economic, social and cultural rights have remained largely unaddressed. The programme will pay attention to redress this situation.”⁸¹ While this is a worthwhile consideration, it is important to also keep in mind that most human rights and rule of law issues, including gender equality and protection of ethnic, religious, and sexual minority rights, are not perceived among the most important issues facing the Georgia society, which underscores the importance of more targeted and consistent outreach and communication about the significance of human rights and fundamental freedoms, as well as the need to consistently support human rights and women’s rights CSOs in their monitoring and advocacy efforts.

In addition, CSOs in Georgia have to contend with access to financial and human resources, which is especially problematic for human rights and women’s rights CSOs that are based outside of the capital city. As noted in the 2014-2017 Roadmap, “CSOs are forced to chase foreign donor funding because of the lack of alternative sources of finance. This inevitably affects the organisational capacities of CSOs, as financial uncertainty makes it difficult to retain qualified staff, much less develop any human resources policies or strategic plans for organisational development.” While state funding has been identified as a source of income for CSOs, it has yet to materialize for independent civil society actors, especially, watchdog CSOs working on human rights and rule of law issues. Some good examples have been noted in terms of outsourcing different services to CSOs (mostly in the fields of education and healthcare), but even then, those supporting rehabilitation and resocialization of inmates, probationers, and juveniles in conflict with law have not seen tangible results.

Civil Society Brief Georgia, Asian Development Bank (2018)

One of the biggest concerns for CSOs in Georgia is their financial stability and sustainability, as the country is still highly dependent on foreign aid. Some 95% of funding for CSOs comes from international donors or development agencies, and NGOs outside the capital sometimes last for only a project or two. Although the government has developed grant mechanisms in recent years, these are flawed [...] The current fiscal framework in Georgia does not provide incentives for CSOs, such as income tax deductions in return for charitable activities, so CSOs are taxed like businesses on the income from their economic activities. [...] Another problem for CSOs is the lack of public trust, due to the mismatch between the issues CSOs work on and the issues considered important by the public. (p.5)

⁸¹ Action Document for Civil Society Facility (Georgia), 2015, p. 5.

<p>Annual Action Programme 2019 in favour of Georgia, Action Document for EU4 Human Rights in Georgia</p>	<p>Civil Society is active in Georgia and plays a fundamental role in human rights advocacy, awareness raising, protection of human rights, including women's rights, and service delivery. Due to insufficient resources and lack of access to core funding, it requires financial support to continue playing its advocacy role in policy formulation and its watchdog role to ensure implementation. CSOs actively participate in and support the implementation of the 2018-2020 National Action Plan on the Implementation of the UN Security Council resolutions on Women, Peace and Security, the National Action Plan on Combating Violence against Women and Domestic Violence and Measures to be Implemented for the Protection of Victims (Survivors), as well as the Human Rights Action Plan and the Criminal Justice Strategy. The NGO community is relatively experienced in the provision of social services and children's rights advocacy... The NGO sector needs further capacity strengthening for independent monitoring of children's rights, effective policy advocacy and quality social service provision.</p>
<p>EU Country Roadmap for Engaging with Civil Society in Georgia (2014-2017), p. 8</p> <p>Civil Society Institute, <i>Civil Society Organizations' State Funding Reform Policy Paper</i>, Tbilisi 2018⁸²</p> <p>Kvashilava et al., p. 15</p>	<p>In recent years, many human rights and women's rights CSOs and their leaders have been targets of verbal attacks from public officials. According to the 2019 assessment of the sector conducted with USAID support, "[r]ecent instances of criticism of CSOs by the Parliamentary leadership have also affected public confidence towards CSOs." The same study notes that CSO-government friction is a constant phenomenon in Georgia, since "ruling parties have traditionally viewed CSOs as their rivals in the opinion formation process... [have] made every effort to diminish the credibility of CSOs in the eyes of their international partners, but more so in the eyes of the general public." It is important to underscore that while "pro-democracy actors, whether local or international, are often the target of smear campaigns initiated by the highest ranks of government and leading politicians, [...] threats are most pronounced against the LGBT+ rights defenders, often fuelled by "illiberal" actors, including the Orthodox Church, which have normalized the far-right rhetoric that targets minorities, migrants, and other excluded groups." According to the Human Rights House Foundation, threat of violence, smear campaigns, online harassment, and physical attacks are among the top risks for human rights defenders in Georgia, with women human rights defenders having "to cope with [additional] threats against their children." An additional issue of concern is connected to threats originating from the state, which is directed to both local and international CSOs working on human rights, rule of law, and election issues.</p> <p>This said, human rights and women's rights CSOs have enjoyed positive cooperation with the PDO, Legal Aid Service (LAS), the State Inspectors' Service and others, with efforts directed toward improving human rights protection and promotion in Georgia, including through supporting independence and effectiveness of these state institutions. As the national human rights institution, the PDO is most engaged with civil society, through its NPP advisory council, consultative council of monitoring and protection of child's rights, consultative council for the monitoring of promotion, protection, and implementation of the Convention on the rights of PWDs, and consultative council of femicide monitoring mechanism.</p>
<p>Evaluation of the EU's engagement with Civil Society in the enlargement, neighbourhood regions and Russia over the period 2007-2018, volume 2</p> <p>Action Document Support to Justice Sector Reforms in Georgia 2014 ENI/2014/037-376</p>	<p>As noted under JC 5.3 Indicator 4, EU support has been integral for developing civil society in Georgia, not the least because "the EU was the most active support of civil society" in the country during 2007-2018. This support came in various forms and size, especially, in the later years of the evaluation, as the EU made conscious efforts to reach out to region based and grassroots CSOs "with a single EU intervention reaching as many as 10% of CSOs in one country."</p> <p>In the Enlargement region, dialogue with civil society has always been an integral part of the Enlargement policy. As of 2008, financial support to civil society was provided through the Civil Society Facility (CSF) with the objective of strengthening participatory democracies by anchoring democratic values and structures, respect for human rights, social inclusion and the rule of law in the societies of the partner countries and thereby support their EU integration process... (p.9). In parallel, the EU made a commitment to integrate human rights principles into EU operational activities for development, otherwise known as following a rights-based approach (an RBA), as outlined in the 2012 EU Strategic Framework on Human Rights and Democracy with a 2012 - 2014 Action Plan... (p. 10). In addition to geographic instruments, thematic instruments have provided financial support to CSOs. The Civil Society Organisations – Local Authorities (CSO-LA) instrument (its predecessor is the NSA-LA) provides support at country level to enhance CSOs and LAs' contributions to governance and development processes. The second is the European Instrument for Human Rights and Democracy (EIDHR) which has also provided support to CSOs (and to individual Human Rights Defenders) for specific actions in line with EU priorities on human rights and democracy. Over time, the Commission has also increasingly introduced the mainstreaming of support to Civil Society within its sectoral cooperation, (e.g. in the fields of health, rule of law, environment, energy, youth). pp 9-14</p>

⁸² <https://csogeorgia.org/storage/app/uploads/public/5cd/c9b/a2e/5cdc9ba2e9f27712765466.pdf>, accessed on August 31, 2021.

	<p>Through these modalities, the EU has supported the creation of political and policy space for Georgian CSOs to operate in, supporting the latter's monitoring and advocacy initiatives in all spheres, including in promoting improved protection of human rights and gender equality. Thus, under the funding provided for justice sector reforms, the EU supported several Georgian and international CSOs with aim to promote "(1) the engagement of CSOs in the justice sector reforms by supporting the development of their capacity for advocacy, networking, policy making and monitoring of reforms; and (2) the provision of services, particularly to the most vulnerable, to broaden access to legal advice and to rehabilitation and re-socialisation programmes, as well as to design and implement crime prevention programmes."</p>			
Mid-term Evaluation of Justice Programme in Georgia, pp.7-8.	Service Provision Projects			
	Project Title	CSO	Budget	Duration
	Training and Employment Support Initiative (TESI) in the Criminal Justice Sector in Georgia, Contract No. 381-344	Civil Development Agency (CiDA)	688 500	08/12/2016 – 07/06/2019
	Improved opportunities for psychosocial rehabilitation and resocialization of inmates, former inmates and probationers in Georgia, Contract No. 381-373	Center for Information and Counseling on Reproductive Health TANADGOMA	476 425	01/01/2017 – 30/06/2019
	Improving Secondary Crime Prevention Process for juveniles and children in conflict with the law in Georgia, Contract No. 381-389	Georgian Centre for Psychosocial and Medical Rehabilitation of Torture Victims GCRT	299 705	16/12/2016 – 15/04/2019
	Program for Supporting Former Inmates, Inmates' Families and Probationers, Contract No. 381-864	Institute of Democracy	794 934	01/02/2017 – 30/11/2019
	Qualification for Re-integration & away back into society, Contract No. 382-113	Arbeiter - Samariter-Bund	800 000	01/02/2017 – 31/01/2020
	Step by Step Towards a Better Future (Phase II) – Complementary Rehabilitation and Re-socialisation Support for prisoners, former inmates and probationers in Georgia through integrative VET training, job counselling, mentoring and sub-granting, No. 382-282	Hilfswerk Austria International	799 850	01/02/2017 – 31/01/2020
Mid-term Evaluation of Justice Programme in Georgia, pp.7-8.	Monitoring Projects			
	Project Title	CSO	Budget	Duration
	Supporting effective implementation of judicial reforms through multifaceted approaches, Contract No. 395-919	Human Rights Education and Monitoring Center	241 003	01/05/2018 – 30/04/2020
Monitoring Government's Commitments and Promoting Reforms in the Penal Sector through the Engagement of CSOs, Contract No. 396-004	Penal Reform International	460 170	13/03/2018 – 12/05/2020	

	<table border="1"> <tr> <td>Contribution to the process of successful implementation of juvenile justice reform, Contract No. 396-774</td> <td>GCRT</td> <td>276 481</td> <td>01/05/2018 – 30/04/2020</td> </tr> <tr> <td>PRIME - Promoting Prosecutorial Independence through Monitoring and Engagement, Contract No. 396-009</td> <td>Institute for Development of Freedom of Information</td> <td>299 989</td> <td>14/03/2018 – 13/05/2020</td> </tr> <tr> <td>Trial Monitoring, Phase 2, Contract No.365-155</td> <td>Fair Trial Georgia</td> <td>20 000</td> <td>01/09/2015 – 31/08/2016</td> </tr> </table>	Contribution to the process of successful implementation of juvenile justice reform, Contract No. 396-774	GCRT	276 481	01/05/2018 – 30/04/2020	PRIME - Promoting Prosecutorial Independence through Monitoring and Engagement, Contract No. 396-009	Institute for Development of Freedom of Information	299 989	14/03/2018 – 13/05/2020	Trial Monitoring, Phase 2, Contract No.365-155	Fair Trial Georgia	20 000	01/09/2015 – 31/08/2016
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Trial Monitoring, Phase 2, Contract No.365-155	Fair Trial Georgia	20 000	01/09/2015 – 31/08/2016										
	Need to have project reports or final evaluations to summarize results of both monitoring and service provision grants.												
	Under the same programme and noted under JC 5.3 Indicator 4, CSO participation in policy dialogue was institutionalized through their participation in the Criminal Justice Reform (CJR) council. Grant support from the EU greatly aided CSOs in their efforts to engage in criminal justice policy dialogue, as it allowed them to gather evidence, both through monitoring and service provision grants, and to engage in evidence-informed dialogue and advocacy. This model of cooperation between governments and civil society has been highlighted as successful in various studies and documents and has resulted in its replication in other areas, e.g. private law reform (Consultative Council on Implementation of Private Law Reforms), human rights (Inter-Agency Coordination Council on Human Rights), rights of children (Inter-Agency Coordination Council on Child Rights), gender equality (Inter-agency Commission on Gender Equality, Violence against Women and Domestic Violence), public administration reform (Inter-Agency Coordinating Council for Public Administration Reform), etc. It would be important to review whether CSOs participating in the CJR Council have been effective in getting their views and ideas across throughout the evaluation period, ensuring some level of impact on the decisions made by the authorities. CSO participation in Gender Equality Council will be reviewed under another Indicator (JC 5.3 Indicator 3 Political participation of <u>women</u> and ethnic / linguistic / sexual minorities strengthened).												
EAMR 2019	Under EIDHR, which is the only instrument that does not require consultation with the government, the EU “is expected to contribute to inclusive socio-economic growth, address human rights challenges associated to the post-conflict situation and contribute to peaceful conduct of fair and democratic elections, including by supporting electoral reform complying with international standards, most importantly ODIHR’s recommendations.” Thus, of the 4 projects awarded to CSOs, one project aimed to encouraged rights-based social service delivery for PWDs and elderly, two aimed at promoting the right to health (one with a clear gender equality component), and one to promote free and fair elections.												
	As noted under JC 5.3 Indicator 4, the EU provided sizeable funding to strengthen organizational and thematic capacities of CSOs in Georgia through national and regional interventions led by KAS, World Vision Deutschland, GDSI consortium. Once the reports and evaluations are available from these projects, the consultant will look into the extent which these interventions have made contributions to effective function of human rights and women’s rights CSOs in Georgia. Apart from these all-encompassing projects, the EU has also funded a more targeted regional project by Human Rights House Foundation entitled STRONG: Sustainable, Target-group oriented, Resilient and Open NGOs with Good governance. This project started in 2020 and aims at strengthening the role that Human Rights Houses, member NGOs, and other CSOs in democracy-building processes. The project is to work with human rights and women’s rights defenders and other pro-democracy civil society organizations on improving their outreach and engagement with citizens and communities, as well as on strengthening their efforts in promoting the following 4 fundamental rights: freedom of expression, assembly, and association, and the right to be a human rights defender. Additional information is needed on HRHF’s efforts in Georgia, which supports Georgian human rights CSOs with funding from the Norwegian and Swiss governments.												
	Importantly, during the later years of the evaluation period, CSOs have been supported to monitor the implementation of the PAR Roadmap. Some of the notable projects in this area includes several 2-year projects implemented throughout the country by local CSOs: <ul style="list-style-type: none"> • Innovations and Reforms Center, “Creation of Sustainable PAR Monitoring System through Developing Specific Assessment Frameworks and Engaging in Large-Scale M&E Efforts Nation-Wide,” 2019-2021 • Institute for Development of Freedom of Information, “Contributing to PAR through Civic Monitoring and Engagement,” 2019-2021 • Cultural Humanitarian Fund Sukhumi, “A Common Forum for CSOs from Guria, Imereti and Racha-Lechkhumi for PAR Monitoring,” 2019-2021 												

	<ul style="list-style-type: none"> Center for Training and Consultancy, “Municipal Service Quality Assessment Toolkit (MUSCAT),” 2019-2020 Civil Society Institute Foundation, “Shaping Regional CSOs into Champions of Policy Dialogue and Public Sector Monitoring,” 2016-2021 																												
<p>Regulation 233/2014 of the European Parliament and of the Council of 11 March 2014 establishing a financing instrument for development cooperation (Development Cooperation Instrument, DCI)⁸³</p> <p>Joint communication to the European Parliament, the European Council, the Council, the European Economic and Social Committee and the Committee of the Regions “Eastern Partnership Policy beyond 2020: Reinforcing Resilience – an Eastern Partnership that Delivers for all,” Brussels, March 18, 2020, p. 3</p> <p>EAMR 2018, p. 8</p>	<p>As per the priorities outlined in the 2014-2020 SSF and the 2018-2020 Roadmap for Engaging with Civil Society, a large part of funding provided to CSOs in Georgia during the later part of the evaluation period focused on the fulfilment of social and economic rights, some in fulfilment of the obligations under the PAR Roadmap. The following is a list of some of the projects in this area:</p> <table border="1" data-bbox="481 343 1702 941"> <thead> <tr> <th>Project Title</th> <th>CSO</th> <th>EU Contribution</th> <th>Duration</th> </tr> </thead> <tbody> <tr> <td>Promotion of Rights Based Social Services for People with Disabilities and Elderly</td> <td>Center for Strategic Research and Development of Georgia</td> <td>EUR 399,000</td> <td>12/13/2021-12/12/2022</td> </tr> <tr> <td>Mental Health and Human Rights: Promoting Rights of People with Mental Disorders and Psychosocial Disabilities (PwMD) in Georgia</td> <td>Foundation Global Initiative for Psychiatry Tbilisi</td> <td>EUR 395,987</td> <td>02/01/2018-09/30/2020</td> </tr> <tr> <td>Strengthening Capacity of Civil Society for Expanded Social Services (SuCCESS)</td> <td>Association ANIKA</td> <td>EUR 879,541</td> <td>2021-2024</td> </tr> <tr> <td>Empowering social and economic rights of ethnic minorities</td> <td>Public Movement Multi-National Georgia</td> <td>EUR 600,000</td> <td></td> </tr> <tr> <td>Youth Organisation Changes for Equal Rights</td> <td>Civil Society Action for Promoting Human Rights of Persons with Disabilities in Georgia’</td> <td>EUR 551,599</td> <td></td> </tr> <tr> <td>ESCAPE – Employment, Support, Counselling to Meet Labour Market Needs</td> <td>Friedrich-Ebert-Stiftung</td> <td>EUR 998,977</td> <td>2020-2023</td> </tr> </tbody> </table> <p>These CSO projects are also in line with the priorities of the 2014-2020 Instrument for Development Cooperation (DCI), which prioritizes improvements in policy formulation and public financial management and stresses the importance of “inclusive and participatory approaches to development” and the need for “increased access to basic social services, [...] with a focus [...] on access to such services by the poor and by marginalised and vulnerable groups.” They are also following the priorities and projected results of the Eastern Partnership Policy (EaP) beyond 2020, which aims to “strengthen resilience, foster sustainable development and deliver tangible results for society,” highlighting the need to “support inclusive and evidence-based policy development, as well as sound public financial management, with the aim of improving services to people and businesses.” Once project reports and evaluations are available, the assessment will look into how these CSOs have advanced human rights for the country’s vulnerable populations, including women and minorities (broadly defined).</p> <p>The EU, together with Sida, are two most important donors in Georgia that promote gender equality and women’s empowerment through policy dialogue and direct assistance. Over the evaluation period, the EU has engagement in numerous policy discussions and supported multiple projects that contribute to gender equality, which are well-documented in the EAMRs, with “the year 2018 may be considered as a peak year in terms of activities of the EU on gender in Georgia with numerous projects running and policy discussions taking place.”</p>	Project Title	CSO	EU Contribution	Duration	Promotion of Rights Based Social Services for People with Disabilities and Elderly	Center for Strategic Research and Development of Georgia	EUR 399,000	12/13/2021-12/12/2022	Mental Health and Human Rights: Promoting Rights of People with Mental Disorders and Psychosocial Disabilities (PwMD) in Georgia	Foundation Global Initiative for Psychiatry Tbilisi	EUR 395,987	02/01/2018-09/30/2020	Strengthening Capacity of Civil Society for Expanded Social Services (SuCCESS)	Association ANIKA	EUR 879,541	2021-2024	Empowering social and economic rights of ethnic minorities	Public Movement Multi-National Georgia	EUR 600,000		Youth Organisation Changes for Equal Rights	Civil Society Action for Promoting Human Rights of Persons with Disabilities in Georgia’	EUR 551,599		ESCAPE – Employment, Support, Counselling to Meet Labour Market Needs	Friedrich-Ebert-Stiftung	EUR 998,977	2020-2023
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⁸³ https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32014R0233#ntr15-L_2014077EN.01004401-E0015, pp. 7, 15, 16,

<p>EAMR 2018, pp. 8-9.</p> <p>Annual Action Programme 2019 in favour of Georgia, Action Document for EU4 Human Rights in Georgia (CRIS number: 2019 / 041-936), p. 21</p>	<p>The EU Delegation has taken the initiative to provide support to the Government and grants to the CSOs for gender related policy implementation as well as integrated gender aspect in a number of sector programmes. As part of the direct EU assistance to the Government, technical assistance has been provided to Georgia's Inter-Agency Commission on Gender Equality to advance gender sensitivities in national policies, human resources management in public administration and dialogue between main policy makers and civil society actors (addressing among others GAP Objective 18). Furthermore, the grants to the CSOs were provided under the Human Rights programme focusing mainly on fight against domestic violence and gender based violence, which contributed among other things to more awareness, public discussions and strengthening of the CSOs to be more active in national policy dialogue (GAP Objectives 7, 10, and 18).</p>																		
<p>Annual Action Programme 2019 in favour of Georgia, Action Document for EU4 Human Rights in Georgia (CRIS number: 2019 / 041-936), p. 21</p>	<p>As regards Gender Equality and Women's Rights, the EU supports the Inter-Agency Gender Equality Commission with an approximately EUR 2 million service contract, to advance gender sensitivities in national policies, human resources' management in public administration and dialogue between main policy makers and civil society actors. The support focuses on introducing gender responsive budgeting in Zestaponi, Gori and Tbilisi. In addition, UN Women is funded with EUR 1.5 million to create an enabling legislative, policy and service delivery environment in line with internationally binding standards on eliminating violence against women and girls at national and local levels (Guria and Kvemo Kartli regions). Furthermore, eight ongoing civil society projects address the needs of women in vulnerable situations. This includes support services for women offenders in prison and their children, support to monitoring of violent crimes against women, facilitation of social integration of domestic violence victims as well as awareness raising activities across the country (approx. EUR 3 million). This new EU4 Human Rights Programme will further build on the results achieved beyond their completion by the end of 2019. During its implementation phase, the new programme will create synergies with recently started programmes where gender equality has been mainstreamed. For example, the Skills Development and Matching for Labour Market Needs (Skills 4 Jobs) Programme will provide grants to CSOs with gender equality related objectives being integrated in particular as regards access to education and jobs; the EU4 Economic Governance and Fiscal Accountability Programme under which gender based budgeting and gender mainstreaming in budgetary process are included and other programmes such as the EU4 Security, Accountability and Fight against Crime in Georgia (SAFE) Programme and the EU4 Integrated Territorial Development. Furthermore, synergies will be created with the Regional Action Programme 2019 on Gender Equality, which will be supporting piloting early intervention violence prevention programmes for perpetrators.</p>																		
<p>Assessment by the team based on documentary review.</p>	<p>As noted above, women's rights CSOs often get support from various IOs and INGOs, which are often funded by the EU. Most notable among these are the United Nations Entity for Gender Equality and the Empowerment of Women (UN Women) and United National Population Fund (UN FPA), which provide some funding to women's rights CSOs, support much coordination efforts, and serve as a bridge between the GoG and the CSOs. These institution received several EU contracts over the evaluation period, most recent being in March 2020, when the EU funded UN Women and UNFPA (EUR 7.5 million) for a 3-year regional (EaP-wide) initiative <i>EU 4 Gender Equality: Together against Gender Stereotypes and Gender-Based Violence</i>, which aims at strengthening equal rights and opportunities for women and men by shifting social perceptions around gender roles, tackling gender stereotypes and increasing men's participation in childcare and other domestic responsibilities. Prior to this, UN Women implemented another EU-funded initiative (EUR 1.5 million) entitled Unite to Fight Violence against Women, which aimed at creating enabling legal, policy, and service delivery environment to prevent violence against women and girls. This project targeted duty-bearers in Tbilisi, as well as Guria and Kvemo Kartli regions of Georgia. Though these projects, these UN agencies often provide small grant support to local CSOs to implement GEWE-related interventions.</p>																		
<p>GEWE evaluation case study</p>	<p>The following table provides information about GEWE-targeted contracts in Georgia</p> <table border="1" data-bbox="488 1153 1803 1380"> <thead> <tr> <th><i>Domain</i></th> <th><i>Intervention title (short title)</i></th> <th><i>Contract year</i></th> <th><i>Cris ref.</i></th> <th><i>Contracting party</i></th> <th><i>Planned amount</i></th> </tr> </thead> <tbody> <tr> <td colspan="6">(ENI 2014) Human Rights for all – Gender targeted contracts</td> </tr> <tr> <td></td> <td>Empowering vulnerable women to end discrimination</td> <td>2016</td> <td>c-378340</td> <td>Sainpormatsio Sameditsino Psikilogiri tsentri - Tanadgoma</td> <td>EUR 326,560</td> </tr> </tbody> </table>	<i>Domain</i>	<i>Intervention title (short title)</i>	<i>Contract year</i>	<i>Cris ref.</i>	<i>Contracting party</i>	<i>Planned amount</i>	(ENI 2014) Human Rights for all – Gender targeted contracts							Empowering vulnerable women to end discrimination	2016	c-378340	Sainpormatsio Sameditsino Psikilogiri tsentri - Tanadgoma	EUR 326,560
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	Tracking Violent Crime Against Women	2016	c-378923	Georgian Institute of public Affairs Foundation	EUR 320,000
	Providing Access to Protection for the Victims of SGBV/Domestic Violence and Strengthening Protection Mechanisms	2016	c-379055	Georgian Young Lawyers Association	EUR 411,585
	Improving health care, education and development opportunities for vulnerable mothers and children	2016	c-379173	Kakheti Regional Development Foundation	EUR 395,061
	Support the improvement of the service provision for women offenders who have experienced violence and discrimination and their vulnerable children	2016	c-379337	Penal Reform International UK	EUR 465,512
	Facilitate Social Integration of the Victims of Domestic Violence	2016	c-379339	Innovations and Reforms Center	EUR 486,000
	Stop Domestic Violence (Campaign against domestic violence in the regions of Georgia compactly populated by ethnic/religious minorities)	2016	c-380100	Association of women of multinational Georgia	EUR 341,451
Other ENI-funded interventions					
	Support to the Inter-Agency Gender Equality Commission	2017	c-389213	Niras Sweden AB	EUR 1.9 million
	Gender sensitive socio-economic empowerment of vulnerable IDPs through co-funding of their livelihoods opportunities and promotion of their social mobilization	2015	c-371727	UN Food and Agriculture Organization	EUR 1.5 million
	Unite to Fight Violence against Women	2016	c-358891	UN Women	EUR 1.5 million
	Supporting Ministry of Internal Affairs of Georgia to fight Domestic Violence	2015	c-368672	Sakartvelo	EUR 292,490

Source: GEWE evaluation case study (Georgia)

GEWE-targeted regional programmes (Neighbourhood East) in Georgia

Domain	Intervention title (short title)	Contract year	Cris ref.	Contracting party	Planned amount
ENPI					
	Eastern Neighbourhood Civil Society Facility - 2013 funds				
	CLEEN - Civil society Local Energy Efficiency Network	2014	c-355286	Women Engage for a Common Future - International	EUR 992,906
ENI					
	EU 4 Gender Equality: Together against Gender Stereotypes and Gender-Based Violence	2020`	c-355286	UN Women and UNFPA	EUR 7.5 million

Source: GEWE evaluation case study (Georgia)

Domain	Intervention title (short title)	Contract year	Cris ref.	Contracting party	Planned amount
	Contribution 2014 to the NIF (Neighbourhood Investment Facility) for the EAST				
	Women in Business	2015	c-371312	EBRD	EUR 5 million

Source: GEWE evaluation case study (Georgia)

This evaluation will ascertain in what ways these interventions supported CSOs working on women's rights and gender equality to advance the GEWE causes and to function effectively as watchdogs and service providers.

I-5.4.4 EU support (incl. TA, capacity building) promoted adherence to international human rights standards and conventions (anti-discrimination and protection of rights of vulnerable groups (minorities broadly defined, women, LGBT+, PWDs, juveniles in conflict with the law, etc.)


EU support has played a crucial role in promoting adherence to international standards and conventions across the board, starting with prison conditions and ill treatment post-2012, and growing to cover GBV (adherence to the Istanbul Convention), the rights of children and persons with disabilities, and most recently LGBT+ rights. EU support has ranged from advocacy-policy dialogue-and moral suasion (where it has mostly remained in the area of LGBT+) to full-fledged TA and capacity building initiatives (e.g., juvenile justice and GBV). While MS are active, as is USAID, the EU may be regarded as the main source of pressure in the area of human rights; a legacy of the Hammarberg Report and the continuing demands of the Accession Agreement.

All of the evidence under I-5.4.3 is also relevant here.

Evidence	
Overall assessment of quality and credibility of evidence	Documentary evidence for this indicator is abundant, and we assess it as Strong .
<i>Sources of information</i>	<i>Evidence</i>
2019 report on AA implementation in 2018	The 2015 Public Defender's proposed amendments to the Law on Elimination of all Forms of Discrimination, aimed at enhancing the effectiveness of the enforcement mechanism under the Law, are still pending. Incidents of discrimination against LGBTI (lesbian, gay, bisexual, transgender and intersex) persons in labour, health, social and economic areas were reported. In May 2018 the demonstration commemorating the International Day Against Homophobia was heavily protected by the police, also in view of a far-right nationalistic group demonstration organised at the same time.
2020 report on AA implementation in 2019	Amendments to improve enforcement of the Law on the Elimination of all Forms of Discrimination were adopted in May. Nevertheless, there are still incidents of discrimination against lesbian, gay, bisexual, transgender and intersex (LGBTI+) persons in the fields of employment and healthcare, and on social and economic issues. A small, symbolic Pride march took place in front of the Ministry of Internal Affairs on 8 July after the organisers failed to reach an agreement with the authorities on holding it elsewhere. Far-right groups had called for a 'hunt' to arrest Pride participants; investigations against the instigators have yet to yield results. [...] Childcare has still not been fully de-institutionalised. Two large state-run institutions continue to operate, housing about 80 children with severe and multiple disabilities. Over 900 children live in 38 unregulated institutions, mainly boarding schools financed and run by local municipalities, the Georgian Orthodox Church and Muslim communities. In 2019, the Government started to extend state regulations and standards to these institutions. In response to a strike by public social service workers in March, the Government agreed to increase investment in social services capacity and quality case management and launched an inter-institutional approach to violence against children.
2021 report on AA implementation in 2020	In September, the Parliament adopted substantial amendments to the Labour Code. Important improvements include the introduction of paid maternity leave, provisions protecting pregnant women and women who recently gave birth, including working arrangements in the case of night shifts and time off for medical examinations. The amendments also provide better protection against discrimination, such as the introduction of all basic definitions (e.g. direct and indirect discrimination, harassment) and the prohibition of termination of employment contracts based on discriminatory grounds. Other amendments include safeguards against excessive working time and collective redundancies. In February, the Government adopted an Equality Chapter to the National Human Rights Action Plan, setting out a range of actions to be implemented by Government agencies and addressing the needs of those belonging to the Lesbian, Gay, Bisexual, Transgender, Intersex (LGBTI) community. In particular, women and persons in vulnerable situations, such as persons belonging to ethnic minorities and to the LGBTI community, were hit especially hard by the pandemic. The Government undertook dedicated efforts to mitigate the severe consequences of COVID-19 on those groups.

Parliament resolution of 14 November 2018 on the implementation of the EU Association Agreement with Georgia (2017/2282(INI))	Calls on the Georgian authorities to take further steps to uphold fundamental freedoms and human rights, notably for vulnerable groups, by fighting hate speech and discrimination, including on the labour market through an amended Labour Code, against LGBTQI people, Roma people, people living with HIV/AIDS, persons with disabilities and other minorities; calls, in particular, on Georgia to harmonise legislation on the rights of persons with disabilities with the UN Convention on the Rights of Persons with Disabilities, which it ratified in 2014; welcomes Georgia's ratification of the Council of Europe Convention on preventing and combating violence against women and domestic violence (the Istanbul Convention), as well as the adoption of the Law on Official Language and the State Strategy for Civic Equality and Integration, and calls for the swift implementation thereof and the creation of an efficient monitoring mechanism.
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EQ6 - Agriculture and rural development

<p><i>To what extent has EU support to Georgia contributed to achieving an increase in the competitiveness of the agricultural sector and the diversification of economic activity in rural areas, as well as a reduction in rural/urban and territorial disparities and increased regional integration?</i></p>		
<p><i>Description/ Rationale</i></p>	<p><i>EU support through the European Neighbourhood Programme for Agricultural and Rural Development (ENPARD), one of the longest-running budget support programmes in the Eastern Neighbourhood (now in its fourth phase lasting through 2025), has focused on making the agricultural sector more productive and competitive and on developing rural development measures to increase rural incomes and livelihoods through diverse forms of economic activity and using participatory approaches to local development. The JCs used here address different dimensions of this broad programme. JC6.1 focuses on competitiveness, necessary to raise incomes, reduce over-dependence on food imports, and attract export markets. Closely related to the latter, as well as consumer safety, JC 6.2 deals with food safety and inspection, one of ENPARD's recent concerns and the subject of previous Comprehensive Institution Building. JC6.3 looks at the broader aspects of Georgian agriculture related to rural development, including reducing rural-urban and inter-regional disparities.</i></p>	

JC6.1 Increased competitiveness of the agricultural sector

Increased competitiveness of the agricultural sector

I-6.1.1 Strengthened capacity of institutions (including CSOs and BSOs), and individuals within the agriculture and rural development sector to implement AA/DCFTA and to engage in participatory policy dialogue.

Complementary Assistance in the form of TA for capacity building was an integral part of all phases of ENPARD budget support. Towards the beginning of the evaluation period, TA provided to the Ministry of Agriculture contributed to development and implementation of the updated Strategy for Agricultural Development of Georgia (SADG) 2015-2020. TA for capacity building was also provided to the Agricultural Cooperative Development Agency to develop the Rural Development Strategy in Georgia (RDSG) 2017-2020. Much of the TA to both institutions, particularly to MoA, was aimed at strengthening capacity to implement budget support, i.e. manage funds, implement agreed actions, meet conditionality targets, and generally improve efficiency. Capacity was also built in the MoA of the Autonomous Republic of Adjara. Development of an agricultural extension system based on district-level centres improved smallholders' access to information and advisory services, with the potential for improved efficiency and market access. Also contributing to this were efforts to strengthen cooperatives. Under ENPARD II and III, TA continued to be provided to the GoG, through FAO for implementation of the SADG and UNDP for implementation of the RADG. Comprehensive Institution Building support to the National Food Agency (NFA) contributed to the approximation process in the phytosanitary field and provided training for food safety inspectors, both benefiting Georgian consumers. The infrastructure of the Laboratory of the MoA (LMA), was improved and equipment was provided, improving capacity to undertaking inspections in accordance with EU standards.

<i>Evidence</i>	
Overall assessment of quality and credibility of evidence	The strength of evidence on this indicator is assessed as Medium . There are gaps concerning CSOs, capacity building at decentralised or community level, and capacity building for participatory processes and policy dialogue. See, however, I-6.3.2
<i>Sources of information</i>	<i>Evidence</i>
Evaluation of ENPARD Programme in Georgia, Final Report, EuroPlus Consulting & management/SOGEROM/Applus+, 12/05/2021 (p.199-200)	<p><u>Increased competitiveness of the agricultural sector</u></p> <p>From 1992 to the commencement of the ENPARD programme, Georgia performed less well than its neighbours (Evaluation of ENPARD Programme in Georgia, Final Report, EuroPlus Consulting & management/SOGEROM/Applus+, 12/05/2021, p.198 based on FAOSTAT data). Although Georgia was a large net food exporter in the Former Soviet Union (FSU), it has only 7% arable land. It has received substantial support since the beginning of the last decade from GoG and donors, and improved access to external markets and in particular to the EU through DFCTA, but its agricultural sector been a relatively poor performer. Georgia has shown the worst performance in terms of agricultural output among all FSU countries and those since it became independent (Evaluation of ENPARD Programme in Georgia, Final Report, EuroPlus Consulting & management/SOGEROM/Applus+, 12/05/2021, citing FAO statistics). The contrast with other countries within the Caucasus, which have also promoted small-scale family agriculture, is striking: Georgia was one of the countries in 2016 when gross output in agriculture actually fell over the period. (Even Azerbaijan managed to achieve much better results despite the negative impact of its natural resources and Dutch disease). Due to insufficient local supplies, Georgia had to resort to food imports, accumulating large-scale trade deficits in agri-food (standing at just below \$400 million at the beginning of ENPARD II. (Evaluation of ENPARD Programme in Georgia, Final Report, EuroPlus Consulting & management/SOGEROM/Applus+, 12/05/2021, p.198) The difficulties within the agricultural sector have proved a key challenge for the Georgian economy, accompanied also by negative social impacts. A massive increase in the budget of Ministry of Agriculture, coupled with stronger support from the donor community, has not translated into the anticipated increased output. Since the launching of ENPARD in 2013, there has been no growth in real GDP in agriculture, which remains 9% lower than at the time of the Rose Revolution of 2003, albeit with fewer farmers working the land. Processing does not appear to have compensated for the decline in agricultural production, since the manufacture of foodstuffs is a steady 1% of GDP (Evaluation of ENPARD Programme in Georgia, Final Report, EuroPlus Consulting & management/SOGEROM/Applus+, 12/05/2021, p. 199 citing FinexCoop analysis). The agricultural and agri-food indicator shows a substantial decline from 9.8% to 7.8% in 2014 when it was expected to increase by 50% in the EU ENPARD logframe.</p> <p>With regard to the aim of assisting agriculture to become more competitive, for many crops, yields are inferior compared to those of neighbouring countries, with comparable levels of development and agronomic potential, such as Turkey, where a 2017 comparison revealed that yields were higher in maize, tomatoes, potatoes, onions, apples and milk.</p> <p>Some crops, however, do show improvement, such as vegetables where, since the early days of ENPARD, productivity has grown (see table on the average yield of annual crops, (Final evaluation, ENP II and III, p.200) and dairy productivity which has increased during the period of ENPARD II and III (i.e. since 2016), even though productivity overall within the livestock sector has remained stagnant. ((Evaluation of ENPARD Programme in Georgia, Final Report, EuroPlus Consulting & management/SOGEROM/Applus+, 12/05/2021, p.200) While these data clearly indicate some promising signs, the poor performance in so many yields suggests that EU efforts in the sector to improve agricultural efficiency and competitiveness have not been as effective as desired. Analysis also suggests that there is untapped development potential, if different measures could be addressed, including those relating to land tenure. This is also the rationale for both the GoG and key Development Partners in the field, including the WB and the EBRD, as well as the EU, prioritising the sector.</p> <p>It has also been estimated that 30% of arable land still remains fallow.</p> <p>A key part of improving competitiveness is to develop the farm registry and register farms. For farms to be supported in the future with grants, inputs etc, then they need to be registered to reach those beneficiaries and monitor the effect of support to them. An action plan for the farm registry was implemented in 2016. Broadly the steps of the action plan were followed but required the allocation of considerably more resources</p>

	<p>than originally envisaged to meet the end-2018 deadline for 100,000 farms/farmers registered. By the end of December 2018, 107,027 farmers had been interviewed and registered. This did not proceed as quickly as expected. According to discussions held by the team, reasons for this delay included the merging of the MoA and MoENRP in 2017 and associated databases, the lack of willingness of many individual farmers (with average landholdings of only 1.4 ha.) to participate in administrative procedures, compounded by the lack of capacity of many in using computers.</p>
<p>ENPARD I, Final Evaluation</p> <p>ENPARD I, II, III, IV FA, TAPS</p> <p>'Strategy for the Agricultural Development of Georgia (SADG), 2015-2020'</p> <p>The 'Rural Development Strategy in Georgia (RDSG), 2017-2020'</p>	<p>Under the Complementary Assistance component of the ENPARD programmes, Technical Assistance (TA) supported capacity building of the government institutions, the Ministry of Agriculture (MoA) and the Agricultural Cooperative Development Agency (ACDA), to strengthen them and build competency in the areas required, to enable absorption of the additional budgetary funding and to use these funds effectively in implementing the agreed actions.</p> <p>TA provided under ENPARD I and II supported the government, and specifically the MoA, in the preparation and implementation of an updated agricultural strategy, developed in 2015 and which became the 'Strategy for the Agricultural Development of Georgia (SADG), 2015-2020', as well as the development of the subsequent 'Rural Development Strategy in Georgia (RDSG), 2017-2020'. The results expected from ENPARD 1 included improved efficiency of institutions involved in agriculture, including capacity building to the MoA and the ACDA and the Ministry of Agriculture of the Autonomous Republic of Ajara, as well as improved access to capacity building by small farmers via the organisation of an agricultural extension system based on district level consultation & information centres and through support to the development of cooperatives. Under ENPARD II and III, TA continued to be provided to the GoG for the implementation of both the SADG (through the FAO) and the RDSG (through the UNDP). Since 2012, assistance had also been provided by the EU to food safety reforms through its Comprehensive Institutional Building (CIB) Programme, which provided support for the institutional strengthening of the National Food Agency (NFA), the legal approximation process as well as the capacity development of food safety inspectors, to the Revenue Service (responsible for border inspection points) and to the Laboratory of the MoA (LMA), to improve its physical infrastructure and become better equipped for undertaking inspections in accordance with EU standards. Support to the NFA, phase III, ended in June 2019.</p>
<p>Final Evaluation ENPARD, p.73</p>	<p>Field observations and interviews showed a significant number of women on the food safety system. Women appeared more aware of and interested in food safety issues than men, seen as an asset at both household and national level.</p> <p>Non-state food safety actors (small farmers, private veterinarians and other stakeholders), encouraged at awareness meetings (where programme supported the NFA) especially with regard to swine fever, new regulations, restrictions, disinfection measures and artificial insemination.</p>
<p>ENPARD IV Disbursement Note Fixed Tranche 2020 (2019)</p>	<p>Main weaknesses of the accountability system are the oversight function of the Parliament, limited public participation in the budget making process and limited capacity of civil society organisations to engage in a substantive policy dialogue with the government and the parliament. The mentioned weaknesses are targeted by the programme "EU 4 Fiscal Governance and Accountability ", creating opportunities for CSO engagement at the level of line ministries and in the Parliament.</p>
<p>RDP 2015-2017 Mid-term Evaluation Report</p>	<p>In addition, thanks to implementation of the programme (RDP) has grown the capacity of MRDI, line ministries, implementing agencies and other stakeholders, including municipal authorities and NGOs to manage and implement broad range of regional policy activities.</p>
<p>EU4 Integrated Territorial Development - disbursement note of the 2020 fixed tranche</p>	<p>The Georgian Government has shown full commitment and continued implementation of the Regional Development and Decentralization policies and reforms. [...]</p> <p>The different stakeholders feature varied levels of institutional and organisational capacity. While the MRDI has already established a significant track record in vertical and horizontal policy coordination, there may be instances where experience in specific sectors/areas is marginal, for example in integrated local development, smart specialisation, clustering, business support activities, digital services, post-industrial revitalisation. Regional stakeholders also demonstrate different levels of experience and capacity to effectively partake in the process. Although they have a good track record in working together, the technical knowledge on issues pertaining to PIRDP is insufficient, and will require additional technical support.</p>

	The Government and the Ministry of Regional Development and Infrastructure have demonstrated strong ownership of the regional development and decentralization reforms. This is evidenced in the adoption of policy documents and legal acts, institutionalizing policy dialogue platforms with stakeholders and regular monitoring and reporting on policy implementation.
17 December 2020, EU Ambassador at meeting with Georgian government, explains ENPARD IV ENPARD II ENPARD III	In terms of local capacity building, ENPARD has been instrumental in introducing the best European practices in rural development and has empowered local people and supported local capacity building so that they take the development of their communities into their own hands through Local Action Groups (LAGs). Communities were mobilised and various social and economic actions initiated with the aim of improving lives in rural areas. Complementary measures included in each of the first three phases of the ENPARD programme contained a series of grants awarded to local NGOs for implementation of rural development measures (following the LEADER approach) referred to as "Support to the development of livelihoods in disadvantaged rural regions of Georgia" under ENPARD III, in a total of 12 municipalities, together with pilot rural development measures in Adjara and Abkhazia.(under ENPARD II). This supported the capacity building of local NGOs, which advocated for inclusive development, participatory governance, consumer rights and awareness raising about food safety matters. The LAGs were represented by the Georgian Association of LAGs (GALAG) at national level, while the Georgian Rural Development Network (GRDN) represents a broader group of national and international rural development stakeholders. Through the LAGs, the EU has funded over 500 local initiatives that have helped diversify local economies, provided better employment to more than 1,000 rural households, and improved living conditions of over 10,000 rural inhabitants.
17 December 2020, EU Ambassador at meeting with Georgian government, explains ENPARD IV	More than 8,000 farmers received EU-funded training on agricultural and business management 250,000 people received advice and training on modern farming techniques and practices, through 59 Information and Consultation Centres and extension services established in the regions

I-6.1.2 Support to agricultural cooperatives: increase in number registered and increase in their turnover and market share.

The specific objectives of ENPARD I included strengthening the development of business-oriented small farmers' organisations; in particular, registered cooperatives. A component included under Complementary Assistance was implemented through 4 grant contracts (selected through a competitive process) between the EU and 4 consortia led, respectively, by four NGOs: CARE, Oxfam, Mercy Corps and People In Need. In August 2016, 1,600 cooperatives (and 15,000 farmers representing 1.5% of all farmers in Georgia) were registered,. However, doubts were raised by the ENPARD I final evaluation as to the sustainability of this result, because it was achieved with strong donor-financed incentives provided by the MoA. Approximately, 280 agricultural cooperatives were strengthened or newly created by the four NGO consortia, as well as the UNDP in Adjara. The expectations that cooperatives would contribute to increased agricultural output and increased revenue of members were, according to the final evaluation, both partially achieved. Overall food production within cooperatives had increased slightly. Various farm improvements – new vineyards, better livestock, increased mechanisation of the harvest – were attributed to the EU support. ENPARD-supported cooperatives demonstrated a significantly better performance than the already existing ones, which often suffered from a lack of inputs and/or supplies, e.g. processing equipment. However, there is a strong possibility of selection bias; i.e., cooperatives enrolled in the programme were those more likely to succeed even in the absence of support.

While all of these factors led to an increase in output of the agricultural cooperatives, the total volumes were modest and had a negligible impact on the overall country total. When considering the impact of the EU interventions on any increase in farmers' incomes, this by definition is bound to be limited since agricultural cooperatives covered a maximum of 20,000 members out of more than a total of 700,000 farmers country-wide. A specific criticism of the final evaluation, that, while the implementing NGOs concentrated on improved processing, increases in farmers' incomes depended on improved yields, in products as diverse as maize and honey. With yields remaining low due to poor skills, insufficient fertiliser, low-yielding varieties, etc., processing designed to move farmers up the value chain had limited impact on the farm (or household) bottom line.

Within the grant element of the Complementary Assistance component of ENPARD 1, lack of basic data for assessment of impact, such as a project baseline, made it difficult to measure progress and success. Relevant data were not collected by NGOs and were not available through GEOSTAT, while the agricultural cooperatives, at such an early stage of doing business, often did not realise the importance of such data.

<i>Evidence</i>	
Overall assessment of quality and credibility of evidence	There has been extensive documentation of the progress of cooperatives in Georgia through project reporting and government statistical reporting. There has been, moreover, one credible independent academic assessment . Evidence for this indicator is therefore assessed as Strong .
<i>Sources of information</i>	<i>Evidence</i>
ENPARD 1, Final Evaluation, Final Report	The ENPARD programme included a component under Complementary Assistance (to the value of EUR 18.6 million), dedicated to the improvement of farmers' cooperation and implemented through 4 grant contracts (selected through a competitive process between the EU and 4 consortia led, respectively, by four NGOs: CARE, Oxfam, Mercy Corps and People In Need (PIN)). The specific objective of ENPARD included strengthening small farmers' organisations, i.e. supporting the development of business-oriented small farmers' groups: the definition of "small farmers' organisations" at the beginning of the projects, was limited to registered cooperatives. The indicators under Result 1 of the logframe noted that at least 100 business oriented farmer groups should be established and at least 50 business oriented farmers groups should be active in operating economic activities. In August 2016, 1,600 cooperatives (and 15,000 farmers) were registered, representing 1.5% of all farmers in Georgia, although this was achieved through a strong drive from the MoA and donors, with financial incentives. It was questionable whether this effort could be sustained with the then planned resources.
'Annual Cooperative Results Survey', Development of EU-Funded Agricultural Cooperatives across Georgia, Irakli Kochlamazashvili, International School of Economics at Tbilisi State University, Policy Institute (ISET), p/p presentation, 14 July 2017	The majority of support measures and grants appeared to have focused on the processing of raw products in various sub-sectors (e.g. hazelnuts, tea, milk) and therefore on 'adding value'. However, any increase in farmers' revenues was expected to come through productivity (efficiency) gains, i.e. increased yields per hectare or business. Where flour mills were set up and achieved good results, for instance, it was argued that more effort was required on increasing yields, e.g. increasing the volume of maize per hectare. Such increases in yields was thought to be possible since some NGOs provided value-chain training to farmers and, when dealing with maize, for example, the use of fertilizers and hybrids was discussed. However, the focus on merely using new processing technology per se was thought to have been a consequence of the lack of a holistic approach, limited agricultural skills together with time constraints, of the four NGOs. Projects dealing with maize flour mills focused on the processing of maize, while the use of outdated seeds and low productivity per hectare were not targeted. In one case where funds were lacking for fertilizers, farmers reduced the seed density and consequently did not exploit the crop potential. Thus, many cooperatives focused on increasing their output, such as with beekeepers who wished to have more beehives, though few of them looked to increase the yield per beehive which, generally, was very low. Encouragement to adopt a more holistic approach, focusing on the entire value chain, should be envisaged in any future interventions.
'Development of the agricultural sector, January-June 2017', Publications: 98, PMCG, Tbilisi, 2017	When considering the impact of the EU interventions on any increase in farmers' incomes, this by definition is bound to be limited since agricultural cooperatives covered a maximum of 20,000 members out of more than a total of 700,000 farmers country-wide. However, the agricultural cooperatives which were strengthened or newly established under ENPARD was a clear indication of progress in strengthening small farmers' organisations and ENPARD-supported cooperatives demonstrated a significantly better performance than the already existing ones, which often suffered from a lack of inputs and/or supplies, e.g. processing equipment. (If the cooperatives supported by the UNDP in Ajara were included, then there were about 280 ENPARD 1-supported cooperatives out of a total of 1,500 cooperatives that were estimated to exist at the time.) Even though the failure rate of cooperatives may be as high as 50% (as mentioned by the then Deputy Minister of Agriculture - Mr. Giorgi Khanishvili), cooperatives supported under ENPARD were likely to be more successful because of the stricter selection process and greater technical and financial support. (It should be noted that cooperatives would lose the status of cooperatives if they did not fulfil the administrative requirements; and if they became bankrupt, which was increasingly likely with the introduction of tougher accounting.)
'Key Findings ENPARD Cooperative Survey, 2014-2016 (ISET), Tbilisi, 2017	
Study on cooperatives conducted in 2017	Within the grant element of the Complementary Assistance component of ENPARD 1, basic data for assessment of impact, such as the absence of a project baseline, made it difficult to measure progress and success. Relevant data were not collected by NGOs and were not available through

<p>(http://enpard.ge/en/wp-content/uploads/2018/05/EU-Supported-Agricultural-Cooperatives.-A-Case-of-Georgia.pdf)</p> <p>EC (2018) Agricultural cooperatives evaluation/study Evaluation of ENPARD Programme in Georgia - 2019/414327</p> <p>ENPARD I, Final Evaluation, Final Report</p>	<p>GEOSTAT, while the agricultural cooperatives, at such an early stage of doing business, often did not realise the importance of such data, even for shadow-accounting.</p> <p>For those cooperative members that did survive, they experienced increased rural revenues, since their activities ‘added value’ to the production of hazelnuts, honey, milk and maize. Some cooperatives were working along the entire value chain, such as in the case of a dairy cooperative which was working on improving fodder quality and introducing artificial insemination and this would impact on food production and, consequently, revenues. While there is anecdotal evidence that cooperatives and mainly registered agricultural cooperatives had a positive impact on food production and rural incomes this impact is hard to prove. It is likely that raising awareness regarding environmental issues and promotion of sustainable management of the natural resources would have some impact, though it would not directly contribute to food production and rural incomes. Without doubt, support to non-agriculture related activities aiming to improve the quality of life in rural areas and to encourage diversification of the rural economy had some practical impact, as for instance, with the rehabilitation of the road infrastructure to enable local cooperatives to access their crop-fields, production of a textbook on apiculture distributed to municipality schools to promote beekeeping and planting nectariferous plants and trees (e.g. chestnut) to improve honey production. Thus some outputs generated by the Programme were translated into results; farm machinery services were established that increased production, while processing plants for milk, honey and hazelnuts were built that were expected to create additional value and, consequently, increase the revenues of cooperatives’ members.</p>
<p>ENP 1, Final Evaluation, Final Report)</p>	<p>Approximately, 280 agricultural cooperatives in total were strengthened or newly created by the four NGO consortia, as well as the UNDP in Ajara, with a budget of €18.6 million over four years during ENPARD 1</p>
<p>‘Development of the agricultural sector, January-June 2017’, Publications: 98, PMCG, Tbilisi, 7 September 2017</p>	<p>The expectations that cooperatives would contribute to increased agricultural output and increased revenue of members were both partially achieved. Apart from inclement weather and droughts over consecutive years, as well as the impact of the invasive brown marmorated stink bug (<i>Halyomorpha halys</i>), overall food production within cooperatives had, according to anecdotal evidence (based on surveys conducted by the International School of Economics at Tbilisi State University, Policy Institute (ISET) and financed by the CARE consortium), increased slightly. In addition, new vineyards were planted, dairy cows were better cared for and, consequently, produced more milk; also, hazelnuts were newly planted. Finally, cooperatives which took advantage of mechanisation saw an increase in the volume harvested since, prior to ENPARD 1, machinery services were either unavailable or not available at the right time. While all of these factors led to an increase in output of the agricultural cooperatives, the total volumes were modest and had a negligible impact on the overall country total, although they pointed to a vehicle for potential growth in the future. A review of agriculture in early autumn 2017 showed a slight decline in overall agricultural production in Georgia in the first half of 2017, compared to the same period in 2016, although full data for the year was not available.</p>
<p>Key Findings ENPARD Cooperatives Survey 2014-2016</p>	<p><u>Membership and Employment</u></p> <ul style="list-style-type: none"> • 254 surveyed cooperatives had 2,955 members in total (11.6 members on average). However, if we exclude two largest cooperatives with more than 100 members each, the average number of members will be 9.2 (compared to 8.5 members in 2015); • 39% of surveyed cooperatives employed paid workers in 2016 (compared to 36% in 2015) [1,062 employees in total, although most of them are seasonal workers (73%)]. <p><u>Fixed Assets Used by Cooperatives</u></p> <ul style="list-style-type: none"> • The average value of fixed assets used per cooperative increased by 60% in 2016 and comprised 162 thousand GEL (compared to 101 thousand GEL in 2015) and by 200% compared to 54 thousand GEL in 2014; • 26% of total fixed assets were purchased by ENPARD funds. The rest comes on different sources: contributed by members (38%), rented by cooperatives (17%), etc.; • 39% of assets value comes from agricultural land. <p><u>Financial Performance</u></p>

	<ul style="list-style-type: none"> • Out of 254 surveyed cooperatives, 223 reported their production value in 2016, which comprised to nearly 13 million GEL. Out of this amount, about 11 million GEL was actual income received in financial year of 2016, in which 32% (3.5 million GEL) was net income (profit). • Compared to baseline year (2014), the cooperatives' production value increased by 43% on average per cooperative in 2016; • While compared to 2015, this indicator was -3% on average per cooperative in 2016. Mostly because of unfavorable weather conditions increased in 2016 compared to 2015. <p><u>2-Year Development of Cooperatives</u></p> <ul style="list-style-type: none"> • Considering all cooperatives with the baseline year of 2014 (91 cooperatives in total), their financial performance in 2016: <ul style="list-style-type: none"> ○ Income increased by 64% on average; ○ Profit increased by 30% on average.
ENPARD III THIRD TRANCHE REVIEW MISSION (November 2020)	<p>There has been a progressive reduction in the number of registered agricultural cooperatives since 2016, but this has been the result of the introduction of a more intensive examination of the structure, management and financing arrangements by ACDA and a stronger enforcement of the legal requirements. At the end of 2016 there were 1586 agricultural cooperatives registered with ACDA. This number fell to 1352 at the end of 2017, 1106 at the end of 2018, and to 1044 at the end of 2019.</p> <p>[...] Nonetheless, despite these conflicting reports, the Review has obtained sufficient detailed information to confirm that 137 agricultural cooperatives were supported during 2017-2019 through programmes included under the RDAP</p>

I-6.1.3 Increased employment opportunities for rural women.

The only evidence gathered concerned cooperatives. Between 2015 and 2016, there appear to have been moderate increases in the proportional representation of females in membership, paid employment, and management of cooperatives supported by ENPARD.

Evidence	
Overall assessment of quality and credibility of evidence	<p>In view of apparently limited labour force data and the small share of cooperatives in rural economic activity, the evidence for this indicator is assessed as Weak. A Gender Assessment was also carried out for Georgian Agriculture in 2018 by FAO. It paints a very negative picture of discrimination in the realm of legislation, access to assets, finance, pay gender gaps, information, underrepresentation in cooperatives and indeed in food security. The study finds: ▪ "Women make up only 25 percent of the members of all farmers cooperatives, according to the latest data (ACDA, personal communication, 2017). Out of 2106 cooperatives, only 100 (4.7 percent) are headed by women. ▪ "Wholesale marketing is mostly associated with men and retail and small marketing with women." ▪ "Due to deeply entrenched bias, "farmers" are only perceived as men, while women are only seen as "wives of farmers."" These issues also describe the environment in which ENPARD works. However, one would expect more progress, had gender been prioritised as expected. However, during interviews, the team met with several female LAG members, female entrepreneurs and government officials. So too the Minutes show female participation at all levels.(ENPARD Evaluation p.122))</p>
<i>Sources of information</i>	<i>Evidence</i>
Annual Cooperative Results Survey' (ISET) Key Findings ENPARD Cooperative Survey, 2014-2016 (ISET)	<p>The ENPARD-supported cooperatives provided new employment opportunities for women as demonstrated by the following evidence. 37% of members and/or employees of cooperatives in 2016 were women compared to 33% in 2015. Out of 254 surveyed cooperatives in 2016, 23% of the management board were women, 32% of cooperative members were women and 51% of paid employees were women, compared to 20%, 30% and 45%, respectively in 2015. (Key Findings)</p>

Key Findings ENPARD Cooperatives Survey 2014-2016	<ul style="list-style-type: none"> • Out of 254 surveyed cooperatives (regarding 2016 year): • 23% of management board members were women (compared to 20% in 2015); • 32% of cooperative members were women (compared to 30% in 2015); • 51% of paid employees were women (compared to 45% in 2015). • In total, 37% of members and/or employees of cooperatives were women (compared to 33% in 2015). 																												
Annual Cooperative Survey Results 2017	<table border="1"> <thead> <tr> <th>Year</th> <th># of cooperatives surveyed</th> <th>Total # of members</th> <th>Share of women members</th> <th>Share of women representatives at management board</th> <th># of coops with at least one female member</th> <th>Share of women in total employees</th> </tr> </thead> <tbody> <tr> <td>2016</td> <td>254</td> <td>2955</td> <td>32%</td> <td>23%</td> <td>196</td> <td>51%</td> </tr> <tr> <td>2015</td> <td>184</td> <td>1568</td> <td>30%</td> <td>20%</td> <td>133</td> <td>45%</td> </tr> <tr> <td>2014</td> <td>125</td> <td>1019</td> <td>30%</td> <td>32%</td> <td>89</td> <td>44%</td> </tr> </tbody> </table>	Year	# of cooperatives surveyed	Total # of members	Share of women members	Share of women representatives at management board	# of coops with at least one female member	Share of women in total employees	2016	254	2955	32%	23%	196	51%	2015	184	1568	30%	20%	133	45%	2014	125	1019	30%	32%	89	44%
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ENPARD II Final Evaluation of ENPARD, pp.12-13	<p>Gender considerations were taken into account in the FA although the logframe did not mention gender and gender did not feature in the 1st, 2nd or 3rd tranche reviews. The Complementary Measures implementation reports do make reference to gender, including those concerning NGOs and public bodies, such as Mercy Corps and the Georgian Institute for Public Affairs and PROCEED, where it is noted that gender was incorporated into the local local development strategies.</p> <p>In the LAGs, a high level of female participation was observed in the composition of the grant selection committees. Women made up 25% of all farmers cooperatives (data of ACDA, 2017). Out of 2106 cooperatives, 100 (or 4.7%) are headed by women. Wholesale marketing is mainly associated with men and retail and small marketing with women.</p> <p>Efforts were made under ENPARD II to ensure representation of women, youth and the disabled within the LAG structures to ensure their voices were heard in decision making and especially in relation to the award of local development sub-grants.</p> <p>GeoSTAT data shows a reduction over the period 2015-2020, in gender inequality in land holdings.</p>
'Gender, Agriculture and rural development in Georgia', FAO, Tbilisi, 2018	<p>The report analyses gender inequalities in relation to causes and their impacts on the economic and social development of rural areas and on food security and nutrition.</p>
ENPARD III Final Evaluation of ENPARD, pp.21,29,33	<p>Gender is much better mainstreamed than in the design of ENPARD II. The new electronic Monitoring Information System of the IACC is also able to incorporate gender. Among ENPARD III stakeholders, women are well represented. There were no projects addressed specifically for women and no minimum standard for women participation in project activities agreed. In the logframe, several indicators require disaggregated data by sex. Although, the mechanism to do this was weak and the sources of verification include a baseline study report, GeoStat statistics and RDAP (2018-20) M&E data, nothing was available for the final evaluation of ENPARD II and III. The basis for calculation was expected to be an agreed baseline study in 2020. It appears that ENPARD III repeated ENPARD II in that it was operating in a sector with well-known and documented gender inequality, yet it was unable to mainstream gender. The final evaluation noted that had ENPARD III "benefitted from some formal lessons from a mid-term review perhaps it could have addressed this issue in its own design".</p>

	Gender cannot be considered to be properly mainstreamed within ENPARD III and the final evaluation of ENPARD II and III concludes that “it is essential, therefore, that relevant baselines are prepared, methods for data collection are identified and data properly collected”.
ENPARD Evaluation p.122	A Gender Assessment was also carried out by FAO in 2018. It paints a very negative picture of discrimination in the realm of legislation, access to assets, finance, pay gender gaps, information, underrepresentation in cooperatives and indeed in food security. The study finds: ▪ “Women make up only 25 percent of the members of all farmers cooperatives, according to the latest data (ACDA, personal communication, 2017). Out of 2106 cooperatives, only 100 (4.7%) are headed by women. “Wholesale marketing is mostly associated with men and retail and small marketing with women.” ▪ “Due to deeply entrenched bias, “farmers” are only perceived as men, while women are only seen as “wives of farmers.”” These issues also describe the environment in which ENPARD works. However, one would expect more progress, had gender been prioritised as expected. However, during interviews, the team met with several female LAG members, female entrepreneurs and government officials. So too the Minutes show female participation at all levels.
ENPARD, Final Evaluation, p.72	Women participation in the NFA CIB III was significant: according to the project data, women were regularly included in the Project programme, participating in the capacity building programme with NFA staff and FBO representatives. This has continued after the Project has ended. Women are almost 50% of the NFA total staff.
ENPARD, Final Evaluation, p.57	While there was a fall in the unemployment rate (national average) of 13.9% in 2017 (the baseline) and of 12.7% in 2018:12.7% of all women were unemployed in 2016 (and 15% of men) and this had fallen in 2018 to10.1% (and 12.8% for men). The numbers of women officially registered as unemployed in rural areas rose slightly: from 5.1% of the rural population (and 22.8% of all urban population) in 2017 to 5.5 of the rural population (and 17.4% of the urban population) in 2018.

I-6.1.4 Increases in output, productivity, agricultural exports, food import substitution, and farmers' incomes.

The profit of some of the 77 cooperatives supported by ENPARD I significantly increased due to ENPARD support, ranging from increases of between 20-100%, depending on the activities. The cooperatives were assisted with registration, legal and financial expertise and capacity development activities. According to ASC financial data, the total profit of the 77 cooperatives supported by the project was, in 2014 – GEL 722,700; 2015 – GEL 1,160,410; and in 2016 – GEL 1,200,032. These are, even taking into consideration the exchange rate, rather paltry sums. The production value of the 77 cooperatives also shows a respectable increase: in 2014 – GEL 1,098,700; 2015 – GEL 1,670,800 and in 2016 – GEL 2,109,449. All these figures should be taken with a grain of salt given the reluctance of rural populations to accurately report, particularly in post-Soviet settings.

At cooperative level, productivity, measured by output per cooperative, increased for honey from 1.1 to 1.8 tonnes, for potatoes from 91 to 130 tons, hazelnuts from 28.5 to 32.2 tons and decreased for vegetables from 8.7 to 8.4 tons and maize from 97.5 to 64.6 tons. (see Top Products produced by ENPARD-supported cooperatives, slide 8 in Key Findings ENPARD Cooperatives Survey). Comparing all cooperatives in 2016, with 2014 (the baseline year), income increased by 64% on average and profit increased by 30% on average.

Evidence	
Overall assessment of quality and credibility of evidence	Evidence (with the exception of agricultural exports, covered under EQ 7) has been mostly limited to cooperatives, which as explained above account for only a sliver of the Georgian agricultural economy. Some evidence on output and productivity of cooperatives is provided above. No household income and expenditure survey over the evaluation period has been identified. GEOSTAT does provide some sector-wide data, which are summarised below. Evidence for this indicator is assessed as Medium .
<i>Sources of information</i>	<i>Evidence</i>
ENPARD I, Final Evaluation (p.22)	The 77 cooperatives supported by ENPARD 1 grants represented the following sub-sectors: beekeeping-22; green-houses -14; grape production and winery - 9; hazelnut production - 9; blueberry production - 5; trout farming - 4; cattle and milk production - 3; vegetable production - 3; hay-baling -2; poultry - 2; strawberry production – 2; citrus production - 2.The cooperatives were assisted with registration, legal and financial expertise and several capacity development activities undertaken in cooperation with the BBI. The grants provided ranged from USD 10.000 to 50.000. The profit of some cooperatives significantly increased due to project support, ranging from increases of between 20-100%, depending on the activities. For instance,

<p>Annual Cooperative Results Survey' (ISET)</p> <p>Key Findings ENPARD Cooperative Survey, 2014-2016 (ISET) (slide 8 "Top Products produced by ENPARD-supported cooperatives").</p>	<p>having received a tractor to transport beehives, some cooperatives procured additional accessories for the tractor which enabled them to better cultivate land, resulting in increased profit. The support provided to fish farms with respect to specially equipped trucks to transport fish to the market, led to an increase in profit, since 20% of the fish transported by the cooperative was no longer wasted due to the lack of well-ventilated and well-equipped trucks, as was previously the case. According to ASC financial data, the total profit of the 77 cooperatives supported by the project was, in 2014 – GEL 722,700; 2015 – GEL 1,160,410; and in 2016 – GEL 1,200,032 The production value of the 77 cooperatives also shows a respectable increase: in 2014 – GEL 1,098,700; 2015 – GEL 1,670,800 and in 2016 – GEL 1,200,032. GEL 2,109,449.</p> <p>Evidence is available on five products produced by ENPARD-supported cooperatives: total production of honey grew for the years 2014, 2015 and 2016, from 24 to 55 to 72 tons (contributing 1.25%, 2.75% and 3.4%, respectively to total Georgian production); potatoes from 453 to 1815 to 4643 tons (contributing 0.21%, 0.97% and 1.86%, respectively to total Georgian production); vegetables from 79 to 167 to 553 tons (contributing 0.05%, 0.11% and 0.39%, respectively to total Georgian production); hazelnuts from 256 to 322 to 681 tons (contributing 0.76%, 0.91% and 2.31%, respectively to total Georgian production); and maize from 683 to 969 to 1830 (contributing 0.23%, 0.52% and 0.75%, respectively to total Georgian production).</p> <p>Productivity, measured by output per cooperative, increased for honey from 1.1 to 1.8 tonnes, for potatoes from 91 to 130 tons, hazelnuts from 28.5 to 32.2 tons and decreased for vegetables from 8.7 to 8.4 tons and maize from 97.5 to 64.6 tons.</p> <p>Comparing all cooperatives in 2016, with 2014 (the baseline year), income increased by 64% on average and profit increased by 30% on average.</p>																								
<p>GEOSTAT data⁸⁴</p>	<p>The following data show changes in agricultural output and productivity:</p> <p>The share of agriculture in GDP was 9.6% in 2014 (the same as in 2010) although then fell over the next five years, only picking up again in 2020, to 8.4%</p> <p>The annual output of the key annual crops (wheat, maize, potatoes and vegetables), in thousand tons, fell from 708.0 in 2014 to 546.4 in 2017 and then increased annually thereafter to reach 742.1 in 2020.</p> <p>The annual output of fruits, excluding grapes and citrus, in thousand tons, fell from 452,5 in 2014 to 353.1 in 2017, although it then increased in 2018 to 514.4 and again, in 2020, to 602.3.</p> <p>The annual output of grapes (in thousand tons) was variable between 2014 and 2017, but from 259.9 in 2018, there was a continued annual increase to 316.9 in 2020, partially linked to an increase in wine production.</p> <p>In terms of productivity changes, measured by average annual yields of the main crops (maize and wheat), in tons per hectare, wheat improved between 2014 and 2020, increasing substantially between 2014 and 2015, from 1.4 to 2.6 and then remaining variable to 2.2 in 2020, while maize demonstrated similar variability though increasing over the whole period from 2.3 in 2014 to 3.1 in 2020.</p> <table border="1" data-bbox="499 1220 1167 1326"> <thead> <tr> <th></th> <th>2014</th> <th>2015</th> <th>2016</th> <th>2017</th> <th>2018</th> <th>2019</th> <th>2020</th> </tr> </thead> <tbody> <tr> <td>maize</td> <td>2.3</td> <td>1.7</td> <td>2.6</td> <td>1.8</td> <td>2.7</td> <td>2.8</td> <td>3.1</td> </tr> <tr> <td>wheat</td> <td>1.4</td> <td>2.6</td> <td>2.6</td> <td>2.2</td> <td>2.5</td> <td>2.3</td> <td>2.2</td> </tr> </tbody> </table>		2014	2015	2016	2017	2018	2019	2020	maize	2.3	1.7	2.6	1.8	2.7	2.8	3.1	wheat	1.4	2.6	2.6	2.2	2.5	2.3	2.2
	2014	2015	2016	2017	2018	2019	2020																		
maize	2.3	1.7	2.6	1.8	2.7	2.8	3.1																		
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⁸⁴ <https://www.geostat.ge/en/modules/categories/196/agriculture>

	<p>The following data show that a substantial proportion of wheat, barley and potatoes produced was marketed (sold) throughout the period 2016-2020, while this was true for maize only in the last two years:</p> <table border="1" data-bbox="499 248 1167 424"> <thead> <tr> <th></th> <th>2016</th> <th>2017</th> <th>2018</th> <th>2019</th> <th>2022</th> </tr> </thead> <tbody> <tr> <td>Wheat</td> <td>81.1</td> <td>84.2</td> <td>82.8</td> <td>83.5</td> <td>83.3</td> </tr> <tr> <td>Barley</td> <td>65.4</td> <td>66.0</td> <td>70.3</td> <td>73.8</td> <td>70.5</td> </tr> <tr> <td>Maize</td> <td>39.9</td> <td>39.2</td> <td>48.2</td> <td>53.0</td> <td>83.3</td> </tr> <tr> <td>Potatoes</td> <td>62.2</td> <td>62.3</td> <td>70.3</td> <td>73.8</td> <td>70.5</td> </tr> </tbody> </table> <p>In 2020, 34.7% of all households were equally oriented towards both crops and livestock production; 59.3% oriented mainly towards crop production; and 6% mainly focused on livestock.</p>		2016	2017	2018	2019	2022	Wheat	81.1	84.2	82.8	83.5	83.3	Barley	65.4	66.0	70.3	73.8	70.5	Maize	39.9	39.2	48.2	53.0	83.3	Potatoes	62.2	62.3	70.3	73.8	70.5
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ENPARD,Final Evaluation (p.199-p.200 citing FAOstat)	<p>Georgia exports vegetable products, fruits and nuts, prepared foodstuffs, beverages, tobacco products to the CIS, the EU and the UK, although hazelnuts, a flag export product of Georgia, has seen a strong decline of sales in recent years. GEOSTAT data, however, show a much lower level of exports, and with differences in destination (ENPARD,Final Evaluation, pp.56, 58, 59 citing UN-Comtrade, 2020 and GEOSTAT 2021) The share of exports of honey to the EU (especially France and Germany), is still relatively small, totalling USD 17,000 in 2019. (ENPARD,Final Evaluation, p.58) Three major groups of commodities (i.e. wine, fruit and processed horticultural products), accounted for approximately 94% of total agri-food exports of Georgia to the EU during 2017-2019, although the overall trend of food exports to the EU was irregular, after a sharp growth in 2017. The share of exports of honey to the EU (especially France and Germany), is still relatively small, totalling USD 17,000 in 2019. (ENPARD,Final Evaluation, p.58) Georgian yields are inferior compared with those of its neighbours with comparable levels of development and agronomic potential. If Georgia is compared to other countries in the region, such as Turkey, it suggests that more efforts are required in the sector, to address the development potential that exists, including changes to land tenure. Comparative data reveals that yields were extremely poor in comparison with Turkey (and also in several cases well below those in Armenia) in maize, tomatoes, potatoes, onions apples and milk. It is also estimated that 30% of arable land is lying fallow.</p>																														
ENPARD, Final Evaluation, p.157)	<p>According to data provided by the ENPARD programme, the average monthly income per household in rural areas was GEL 809 in 2016 (baseline) and GEL 880 in 2018,, a target achieved under the Programme.</p>																														
Evaluation of ENPARD Programme in Georgia, Final Report, EuroPlus Consulting & management/SOGEROM/A pplus+, 12/05/2021	<p>. According to the Food Safety Strategy 2020-2023, export potential exists for some products of animal origin, but due to low self-sufficiency only sheep and goat meat is exported in significant volumes. Also, animal health and food safety regulations in the EU and several other countries limit Georgia export of products of animal origin. As a table (see p.55) shows, food exports from Georgia have increased in recent years and CIS and Middle East markets lead this trend. Agri-food imports are also growing. Globally, Georgian food exports are increasing in the last years, at a level of 1.7 billion USD in 2019. Considering the major markets in CIS Countries described in the table below, these latter (Armenia, Azerbaijan, Belarus, Russian Federation, Ukraine) cover now 63% of total food exports of Georgia, against 42% in 2015. GEOSTAT export data are different from the UN-Comtrade database, although they too show the growth of food exports and the relevance of CIS countries among the preferred destinations, The export of animal-origin products makes evident the growth of sales to the region (Armenia and Azerbaijan) and Middle East Countries, which are now attracting 85% of Georgian export of the category (it was 67% in 2015). (p.55) Between 2015 and 2019, the exports of meat products increased the volumes exponentially and concentrated on a restricted number of countries. (It should be noted that GeoStat data are significantly different and not comparable with UNComtrade data.) The analysis of the recent trend in exports to the EU provides additional information on the coherence of the programme activities on export flows because of improved food safety measures. During the years 2015-2019, (UNComtrade data) the exports of food products from Georgia to the EU and the UK remain concentrated on plant-origin products (98.7% of total food exports to the block, 2019), whilst animal-origin product, with 3.7 million USD in 2019, despite the growth in the period, remain marginal in the Country's export portfolio. The three major groups of commodities (in practice, wine, fruit and processed horticultural products) account for approximately 94% of total agri-food exports of Georgia to the block..(p.56) Considering the three major groups of commodities (in practice, wine, fruit and processed horticultural products), which accounts for approximately 94% of total agri-food exports of Georgia to the block in the last three years are not growing and the overall trend of food exports to EU shows an irregular trend after the sharp growth in 2017. Nevertheless, despite the 13.4% decrease in 2019 in comparison to 2018, the 2019 export</p>																														

level held up well above the results accrued in 2015 and 2016. (p.56) Table 11 contains data on exports of vegetable products, prepared foodstuff, beverage, tobacco products to CIS and EU. Hazelnut, a flag export product of Georgia, sees a strong decline of sales in the recent years. The table below contains the aggregated data of exports of hazelnuts and other nuts (HS code 0802) from Georgia in the last years. (p.56) The share of exports of honey to EU is still minor (principally France and Germany), is still minor, amounting to USD17,000 in 2019. GEOSTAT data show much lower amounts of exports, with differences in the structure of destinations.(p.57)

The improvement of the national food safety system is supporting significant improvements of export to CIS Countries and the Middle East market, where it is likely that the increased performances of Georgia in food safety may become a comparative advantage. Exports to EU are increasing but not at the same pace and needs further interventions to take-off. (p.59)

JC6.2 Improvements in food safety and quality standards and inspection practices

Improvements in food safety and quality standards and inspection practices provide better consumer protection and facilitate exports of agricultural products to the EU

I-6.2.1 Improved Sanitary & Phyto-sanitary (SPS) measures in line with EU standards and adopted through open and direct participation of civil society actors.

Building on the existing support from ENPARD I, ENPARD II integrated support for food safety and to improve / approximate sanitary and phytosanitary actions. SPS approximation was crucial to increase agricultural exports to the EU under the DCFTA, as well as to other countries, and food safety inspection and control was an issue of great concern to Georgian consumers. It was, as well, a source of pressure from Russian interests, who spread misinformation that rising to European standards would raise prices and devastate local agro-industry. All variable tranche indicators for the relevant result area under ENPARD 2 were met.

ENPARD IV continued to build on Georgian commitment to continued reform in food safety and SPS measures. Assistance was provided in the food safety and SPS sector to enhance consumer protection in Georgia and to facilitate exports of safe Georgian products to EU Member States - taking advantage of the opportunities available under the DCFTA - as well as potentially to other countries. This builds on the achievements of the Comprehensive Institution Building (CIB) Programme and of previous phases of ENPARD - II, in particular. ENPARD IV contains measures to support the enforcement of newly adopted regulations. ENPARD IV, as well as support to food business operators in their efforts to adapt to such reforms.

The EUD noted in a report that progress had been sustained in the food safety and SPS area. The GoG was deemed to be on track with the approximation of legislation, as per the Approximation Plan 2015-2027, annexed to the EU-Georgia Association Agreement, and had continued training of inspectors as well as the registration of Food Business Operators, the planned and unplanned inspections of FBOs, vaccination campaigns against several animal diseases and the process of animal identification and registration, as well as the implementation of phytosanitary measures to contain the spread of pests. These last two areas (value chain development and food safety) are directly related to the Key Outcomes of the High-Level Meeting between Members of the Commission and of the Government of Georgia of 21 November 2018, which highlighted the need to improve export opportunities for Georgia under the DCFTA through better SPS and food safety systems, approximated to EU standards.

Evidence

Overall assessment of quality and credibility of evidence	In view of the good documentary evidence available, the strength of evidence for this indicator is assessed as Strong , although more information on the role of civil society organisations is required.
<i>Sources of information</i>	<i>Evidence</i>
<p>ENPARD I, Final Evaluation</p> <p>ENPARD II, III, IV, FA TAPs</p> <p>Budget Support Eligibility Assessment– disbursement of 2018</p> <p>Key Outcomes of the High-Level Meeting between Members of the Commission and of the Government of Georgia of 21 November 2018</p>	<p>Building on the existing support from ENPARD1, the second phase of the programme integrated support, inter alia, for food safety, sanitary and phyto sanitary actions. Specific measures were intended to improve food security and nutrition through diversification of rural activities and income sources, particularly for women and girls and the most vulnerable groups (including conflict-affected people and ethnic minorities). This focus on food safety requirements was critical for the export of Georgian produce to the EU and the move to alignment with EU improved Sanitary & Phyto-Sanitary (SPS) and food quality standards, as well as inspection and control measures. Result 2 under the Special Conditions of ENPARD II was specifically concerned with ‘Improved SPS, food safety and food quality standards and procedures for inspection and control’, with the following sub-results: upgrading of laboratory capacities and food safety/SPS standards for inspection and control; strengthening of capacities for border inspection and control and upgrade of standards for food import/export monitoring; adoption of improved food safety/quality schemes by farmers (see ENPARD II, FA, TAPs) All variable tranche indicators for Result area 2 were fully met. (Disbursement decision July 2019)</p> <p>ENPARD IV continued to build on previous phases of the Programme and on the commitment by Georgia to advance the reforms initiated in a number of sectors, including those in food safety and sanitary and phytosanitary (SPS) measures. Assistance was provided in the food safety and SPS sector to enhance consumer protection in Georgia and to facilitate exports of safe Georgian products to EU Member States - taking advantage of the opportunities available under the DCFTA - as well as potentially to other countries. This builds on the achievements of the Comprehensive Institution Building (CIB) Programme and of previous phases of ENPARD - II, in particular, which included a component on food safety. It provides further support to the National Food Agency (NFA) for improved inspection and control systems, and to continue the legal approximation process, including enforcement of newly adopted regulations. ENPARD IV also supports food business operators (FBOs) in their efforts to adapt to such reforms.</p> <p>The EUD noted in a report that progress had been sustained in the food safety and SPS area. The GoG was deemed to be on track with the approximation of legislation, as per the Approximation Plan 2015-2027, annexed to the EU-Georgia Association Agreement, and had continued training of inspectors as well as the registration of FBOs, the planned and unplanned inspections of FBOs, the vaccination campaigns against several animal diseases and the process of animal identification and registration, as well as the implementation of phytosanitary measures to contain the spread of pests. These last two areas (value chain development and food safety) are directly related to the Key Outcomes of the High-Level Meeting between Members of the Commission and of the Government of Georgia of 21 November 2018, which highlighted the need to improve export opportunities for Georgia under the DCFTA, through better SPS and food safety systems, approximated to EU standards. The letter sent by the Georgian Minister of Economy and Sustainable Development, Natia Turnava, to European Commissioner for Trade, Cecilia Malmström, on 18 May 2016 further reiterates the importance of supporting SPS and food safety systems as well as related laboratory capacity to increase Georgia’s capacity to export to the EU. (Disbursement Note, July 2019)</p>

I-6.2.2 Improved food safety measures, quality standards, and inspection practices in line with EU standards (EU acquis).

From 2011, food safety regulation was reintroduced as a Georgian priority and the National Service of Food Safety, Veterinary and Plant Protection, under the aegis of the MoA ,was reorganised into the National Food Agency (NFA) and re-established as a public law legal entity, which allowed it more financial and decision-making independence. Since 2012, the EU has provided assistance to reforms through its CIB Programme, which provided support for the institutional strengthening of the NFA, the legal approximation process, and the capacity development of food safety inspectors. It also helped the NFA, the Revenue Service (responsible for border inspection points) and the Laboratory of the MoA to improve their physical infrastructure and become better equipped for undertaking inspections in accordance with EU standards. In 2014, the AA (which fully came into force in July 2016) provided further impetus to the reforms as it established the necessary food safety requirements

for Georgian produce to be exported to the EU. Under the AA, the GoG committed to approximating and implementing 271 EU legal instruments, although there is still some way to go before an efficient state system for food safety regulation is established.

ENPARD II supported the reforms through the Complementary Assistance component. Thus, measures on food safety and SPS directly supported Georgian commitments under the DCFTA. ENPARD IV actions in the area of food safety, SPS and rural development are also in line with priorities in the Single Support Framework (SSF), 2017-20. Actions in the area of food safety within ENPARD IV fall under both articles 7 and 8 of the AA and are in line with the Eastern Partnership '20 deliverables for 2020', especially 6 and 8. ENPARD IV is also fully in line with 'Key Outcomes of the High-Level Meeting between members of the EC and the Government of Georgia', of November 2018, envisaging additional support to improve living conditions and boost export opportunities through better food safety systems. Actions in support of legislative harmonisation with the EU acquis in the area of food safety and on improvement of the 'Regularity of Impact Assessment' are also in line with Public Administration reform (PAR) efforts included in the PAR Roadmap and Action Plan. Additional food safety support was provided by the EU to the NFA.

The Ministry of Agriculture (MEPA since March 2018) made extensive progress in the area of food quality schemes, with the logos for Georgian quality schemes approved by Ministerial Decree in June 2018. MEPA and the National Property Centre of Georgia (Sakpatenti) finalised the draft law on Geographical Indications (GI) in December 2018 and, following consultations with relevant ministries, it was expected that the law would be submitted to Parliament by the autumn 2019. Producer associations of GIs for Sulguni and Tushuri Gouda were created and the technical specifications for these products were drafted. It was expected that the promotion of GIs would not only promote the (improved) quality of Georgian products but also help Georgian producers to become increasingly competitive in international markets. There was progress in the area of food quality schemes, which demonstrated Georgia's interest in improving the quality and exportability of its products, thus taking advantage of the opportunities available under the DCFTA. Several national and international companies were active in Georgia in the area of food quality schemes but working on different standards (Global Gap, UTZ, Demetar, etc.) and so it was proposed that the EU should recommend that MEPA develop a comprehensive database, bringing together all companies working in the field of food quality schemes.

Evidence	
Overall assessment of quality and credibility of evidence	There is abundant documentation of progress in standards in food and agriculture, and the evidence for this indicator is assessed as Strong .
<i>Sources of information</i>	<i>Evidence</i>
ENPARD II, III, IV, FA TAPs	From 2011, food safety regulation was reintroduced as a Georgian priority and the National Service of Food Safety, Veterinary and Plant Protection, under the aegis of the MoA, was reorganised into the National Food Agency (NFA) and re-established as a public law legal entity, which allowed it more financial and decision-making independence. The Food Safety, Veterinary and Plant Protection Code served as the basic legislation for the food safety system. Since 2012, the EU has provided assistance to these reforms through its CIB Programme, which provided support for the institutional strengthening of the NFA, the legal approximation process as well as the capacity development of food safety inspectors. It also helped the NFA, the Revenue Service (responsible for border inspection points) and the Laboratory of the MoA to improve their physical infrastructure and become better equipped for undertaking inspections in accordance with EU standards. In 2014, the AA (which fully came into force in July 2016) provided further impetus to the reforms as it established the necessary food safety requirements for Georgian produce to be exported to the EU. Under the AA, the GoG committed to approximating and implementing 271 EU legal instruments, although there is still some way to go before an efficient state system for food safety regulation is established.
ENPARD II Budget Support Eligibility Assessment–disbursement of 2018	
Key Outcomes of the High-Level Meeting between Members of the Commission and of the Government of Georgia of 21 November 2018	
Single Support Framework (SSF), 2017-20	ENPARD II supported the reforms through the Complementary Assistance component. Thus, measures on food safety and SPS directly supported Georgian commitments under the DCFTA. ENPARD IV actions in the area of food safety, SPS and rural development are also in line with priorities in the <i>Single Support Framework (SSF), 2017-20</i> . Actions in the area of food safety within ENPARD IV fall under both articles 7 and 8 of the AA and are in line with the <i>Eastern Partnership '20 deliverables for 2020'</i> , especially 6 and 8. ENPARD IV is also fully in line with <i>'Key Outcomes of the High Level</i>

<p>DCFTA Eastern Partnership '20 deliverables for 2020'</p> <p>EU-Georgia Association Agreement, articles 7, 8</p>	<p><i>Meeting between members of the EC and the Government of Georgia</i>, of November 2018, envisaging additional support to improve living conditions and boost export opportunities through better food safety systems. Actions in support of legislative harmonisation with the EU acquis in the area of food safety and on improvement of the 'Regularity of Impact Assessment' are also in line with Public Administration reform (PAR) efforts included in the <i>PAR Roadmap and Action Plan</i>. Additional food safety support was provided by the EU to the NFA.</p> <p>In addition, the EU since 2012 has provided assistance to food safety reforms through its Comprehensive Institutional Building (CIB) Programme, which provided support for the institutional strengthening of the NFA, the legal approximation process as well as the capacity development of food safety inspectors, to the Revenue Service (responsible for border inspection points) and to the Laboratory of the MoA (LMA), to improve its physical infrastructure and become better equipped for undertaking inspections in accordance with EU standards. Support to the NFA, phase III, ended in June 2019.</p> <p>ENPARD II included a focus on food safety requirements (critical for the export of Georgian produce to the EU) moving to alignment with improved Sanitary & Phyto-Sanitary (SPS) and food quality standards, as well as inspection and control measures. ENPARD IV builds on previous phases of the Programme and on the commitment by Georgia to advance the reforms initiated in the relevant sectors, including those in food safety and sanitary and phytosanitary (SPS) measures. Assistance is provided in the food safety and SPS sector to enhance consumer protection in Georgia and to facilitate exports of safe Georgian products to EU Member States - taking advantage of the opportunities available under the DCFTA - as well as potentially to other countries. This builds on the achievements of the CIB Programme and of ENPARD II. It provides further support to the NFA for improved inspection and control systems, and to continue the legal approximation process, including enforcement of newly adopted regulations. ENPARD IV also supports food business operators in their efforts to adapt to such reforms.</p> <p>The Ministry of Agriculture (MEPA since March 2018) made extensive progress in the area of food quality schemes, with the logos for Georgian quality schemes approved by Ministerial Decree in June 2018. MEPA and the National Property Centre of Georgia (Sakpatenti) finalised the draft law on Geographical Indications (GI) in December 2018 and, following consultations with relevant ministries, it was expected that the law would be submitted to Parliament by the autumn 2019. Producer associations of GIs for Sulguni and Tushuri Gouda were created and the technical specifications for these products were drafted. It was expected that the promotion of GIs would not only promote the (improved) quality of Georgian products but also help Georgian producers to become increasingly competitive in international markets. (Disbursement Note ENPARD II, final tranche) (Disbursement Note, July 2019) There was progress in the area of food quality schemes, which demonstrated Georgia's interest in improving the quality and exportability of its products, thus taking advantage of the opportunities available under the DCFTA. Several national and international companies were active in Georgia in the area of food quality schemes but working on different standards (Global Gap, UTZ, Demetar, etc.) and so it was proposed that the EU should recommend that MEPA develop a comprehensive database, bringing together all companies working in the field of food quality schemes. (Disbursement Note, July 2019)</p>
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I-6.2.3 Food safety inspection system strengthened, with transparency of inspection results to the public and consumer rights organisations, to the benefit of consumers.

Under ENPARD II, the National Food Agency (NFA) and the Revenue Service (RS) made considerable progress in the training of their staff in charge of inspection both within Georgia and at its Border Inspection Posts. As shown by the ENPARD II budget support assessment report of 2018, the process of registration of Food Business Operators had progressed substantially and allowed the NFA to establish more effective communication and interaction with these FBOs and a better understanding of needs regarding training and controls. Sufficient progress had also been made on training food inspectors to European standards. ENPARD IV provides further support to the National Food Agency (NFA) for improved inspection and control systems, and to continue the legal approximation process, including enforcement of newly adopted regulations. Evidence was also provided of adherence to international standards. All laboratory methods listed in the Laboratory of the Ministry of Agriculture pricelist as of June 30th 2018 were accredited in accordance with relevant EU and/or other International standards. The LMA Quality Management System is up to ISO standards. All specialised staff of one upgraded Border Inspection Post (BIP) are well trained, possessing the knowledge to provide

food control procedures according to EU requirements The review mission verified that the Revenue Service (RS) had trained the entire RS BIP staff of Poti, a busy port. Indicators requiring that all relevant staff for inspection of food of non-animal origin is trained according to EU requirements at least a 30% increase in farmers/FBOs adopting food quality schemes were satisfied.

<i>Evidence</i>	
Overall assessment of quality and credibility of evidence	There is abundant documentation of progress in standards in food and agriculture, and the evidence for this indicator is assessed as Strong .
<i>Sources of information</i>	<i>Evidence</i>
ENPARD II, FA, Annex: TAPs ENPARD IV, FA, Annex: TAPs ENPARD II Budget Support Eligibility Assessment–disbursement of 2018 Disbursement Note, ENPARD II, July 2019	<p>ENPARD IV provides further support to the National Food Agency (NFA) for improved inspection and control systems, and to continue the legal approximation process, including enforcement of newly adopted regulations.</p> <p>Under ENPARD II, the NFA and the Revenue Service (RS) made considerable progress in training their staff in charge of inspection both within Georgia and at its Border Inspection Posts (BIPs), as a step towards evaluating competence of all trained inspectors, to certify their increased capacity to perform their tasks and deliver food safety controls to EU standards. It was recommended that future training should be coordinated between the NFA and the RS to better implement the traceability of food and the "from farm to fork" principle and that there was improved border management with neighbouring countries. Substantial progress had been made in registering Food Business Operators (FBOs) which allowed the NFA to establish more effective interaction with these FBOs to better understand training needs and controls. As a consequence of programme results, 100% of FBOs registered in the State Registry (the National Agency for Public Registry or NAPR) before 30th September 2018 were to be verified by the NFA and registered in the NFA database. In total there were 18,395 FBOs listed in the NAPR Register of Economic Activities (REA) as of 30th September 2018 - the same number of FBOs was listed in the NFA database in December (confirmed by head of NFA). A random cross check of 31 entries conducted by the independent review mission confirmed that the same FBOs were encoded in both registries, and that the same information appeared in both records.(Disbursement Note, ENPARD II, July 2019)</p> <p>According to NFA information, the total number of inspectors employed in 2018 was 103, although seven had left in the course of that year so there were 96 in post at the end of 2018. (Furthermore, all 7 inspectors who left the service in 2018 were also shown to have completed all courses required for their speciality.) 95% of inspectors were trained according to EU requirements, in accordance with their respective fields of expertise, as per the indicator. 26 courses developed by NFA to meet minimum training requirements 9 relate to broad, general Standard Operation Procedures (SOPs), and hence are considered mandatory for all inspectors, and 17 to particular specialisations/ positions. The requirement for completion of these specialised courses varies between 4 for food service inspectors and 16 for non-animal origin inspectors. The NFA records of the training courses completed by each inspector at the end of 2018 show that, of the 96 inspectors listed, only three failed to take all required courses. (Disbursement Note, ENPARD II, July 2019)</p> <p>Evidence was also provided of adherence to international standards.100% of laboratory methods listed in the LMA pricelist as of June 30th 2018 were accredited in accordance with relevant EU and/or other International standards. The LMA operates a Quality Management System which complies with the requirements of the standard and is appropriately certified, the scope of which covers veterinary, phytosanitary and food safety testing of LMA and accreditation which includes veterinary and food microbiology, serology, physical-chemical, toxicology, biology, presence of GMO, molecular biology, parasitology, phytopathology and entomology. 100% of laboratory methods listed in the LMA pricelist as of June 30th 2018 were accredited in accordance of relevant EU and/or other International standards. Accreditation also requires the LMA to participate in inter-laboratory comparison test, requiring it to provide a proficiency testing programme with the technical and educational tools required to assess, monitor and improve the quality of laboratory testing. During 2018,the LMA successfully conducted 17 different proficiency testing trials, organised by different international reference laboratories and accreditation institutions.</p>

All specialised staff of one upgraded Border Inspection Post (BIP) were well trained and possessed the knowledge to provide food control procedures according to EU requirements (a requirement of one indicator). This referred to the third step in a process of upgrading one BIP: the building or refurbishing of the BIP to meet EU standards; and the provision of equipment to this BIP in accordance with EU standards. The review mission verified that the RS had trained the entire RS BIP staff of Poti, a busy port with some 300-500 consignments passing through this BIP a month, depending on the season, including the 18 staff inspectors stationed there (5 phytosanitary, 10 veterinary, 3 sanitary), in border control procedures for foods of both animal and non-animal origin. This was confirmed by an international Certificate issued by SAI Global (of Australia) in October 2016 and valid until 12th November 2019. The LMA also holds Certificates of Accreditation, certifying that it has been assessed compliant with the standard of two accreditation bodies: the National Accreditation Body of USA, 2020 and the Georgian Accreditation Body. This was part of the comprehensive training of 101 BIP inspectors, including training of trainers, which commenced in 2017 and continued until December 2018. Procedures for control of products of animal and non-animal origin are regulated through two sets of legal acts, both compliant with EU procedures. Two separate manuals cover standard operating procedures for control of animal and non-animal products at the BIPs, the use of which was observed by the review mission during their visit to the Poti BIP. All relevant staff for inspection of food of non-animal origin were trained according to EU requirements, an EU requirement, following requiring the adoption of EU compliant regulations for border control of food of non-animal origin and requiring the implementation of EU compliant procedures for border control of food of non-animal origin. The GoG was compliant with EU border control of food and feed of non-animal origin (adopting, in December 2016, Resolution No.567, "On Approval of the Border Control Rules for The Safety of Food/Feed of Non-Animal origin" and, in December 2017, Order No.35631 of the RS, 'A Manual for Carrying out Border Control Procedures for Food of Non-animal Origin'. This required training relevant NFA staff (for internal inspection) and RS staff (for border inspection), and collaboration between the two bodies. All the inspectors completed 100% of the necessary 25 training courses. The training of the relevant RS staff on the procedures for BIP control of food/feed of non-animal origin took place in September 2017 and was followed, in November, by the training of 42 veterinary and phytosanitary BIP inspectors. In 2018 the RS provided training on border control procedures for food/feed of non-animal origin to an additional 59 inspectors. Eight staff also received additional training in March 2018 on Codex Alimentarius rules, which include food of non-animal origin.

There was a more than 30% increase in farmers/FBOs adopting food quality schemes, following a second tranche indicator. The baseline (2014) comprised 83 certified producers, based on data from the National Wine Agency (NWA) on Protected Designation of Origin (PDO) and Protected Geographic Indication (GI) and Caucascert Ltd on organic certification. Based on the figures from Caucascert and the NWA, the total number of such farmers/FBOs was 373, an increase of 349% on the 83 stated in the indicator baseline. The NWA is a public legal entity (LEPL) under MEPA, created under the Law on Vines and Wine, responsible, *inter alia*, for control and certification of the quality of wine production. The number of wine companies with PDO status increased by 216% between 2014 (75) and 2018 (237), while the number of "Chacha" producing companies with GI status doubled from 22 to 44 (NWA documentary evidence). Caucascert Ltd., whose purpose was to inspect and certify organic products, was established in Georgia in 2005 as the first local organic certification company in the country. The company facilitates the development of organic agriculture and promotes the growth of the organic market, while protecting the rights of consumers. In addition, it facilitates exports of Georgian organic products (largely hazelnuts, wild plants and wine) to the EU and Switzerland. By the end of 2018, a total of 92 farmers/FBOs had been certified, or passed the transitional (conversion) period, as bio/organic producers under the supervision of Caucascert. This was an increase of 206.6% on the 30 certified in 2014.

JC6.3 Strengthened rural development and reduced urban-rural and inter-regional disparities

Strengthened rural development and reduced urban-rural and inter-regional disparities

I-6.3.1 Expanded rural employment opportunities (business enterprise and SMEs; non-agricultural rural initiatives and employment; rural women and youth and ethnic/linguistic minorities).

See I-6.3.3 on SMEs.

<i>Evidence</i>	
Overall assessment of quality and credibility of evidence	Evidence on the rural labour market is weak. All data on unemployment must be qualified in view of the redefinition of rural unemployment instituted by GEOSTAT in 2019 (own-account agricultural workers reclassified as unemployed or economically inactive). ⁸⁵ Evidence on the specific situation of rural women is strengthened by a FAO study and can be regarded as Strong .
<i>Sources of information</i>	<i>Evidence</i>
GEOSTAT data ⁸⁶	Rural unemployment fell from 23.5% in 2010 to 15.8% in 2020 Female unemployment within Georgia fell from 25.0% in 2010 to 16.2% in 2020, while male unemployment fell from 28.9% in 2010 to 20.2% in 2020: the fall in the rate of female unemployment was greater than that of males.
FAO, 'Gender, agriculture and rural development in Georgia' FAO 2018 ⁸⁷	The social status of women in rural areas remains low, gender stereotypes persist and there is a low awareness of existing gender inequalities. There is a significant gender pay gap, and women are overrepresented as unpaid workers. Due to the perception of women as helpers or contributing family members, they are more likely to be involved in unpaid and informal work, and the gender pay gaps in agriculture, forestry and fisheries are significant. Women are paid less in almost all the sectors of agriculture; in hunting and forestry, women earn 75 percent of men's salary, and that falls to 35 percent of men's salary in fisheries. Nearly 60 percent of self-employed women are non-paid workers (GEOSTAT, 2015). There is both a vertical and horizontal gender-based segregation in employment, with men being more represented in higher managerial positions and in technical subjects as agriculture, engineering and construction, where very few women are represented (GEOSTAT, 2015). Women's access to information, innovation and knowledge is lower compared to men. Women's access to new technologies, machinery and agricultural inputs is lower compared to men. Women have limited access to ownership of land and other property and this diminishes their empowerment possibilities. This lack of land registration limits women's access to governmental subsidies, credit and grant schemes that operate in Georgia; this affects women in the regions because of the lack of collateral. More importantly, limited access to land (or any other property) ownership and registration also diminish women's status in and outside the family: women who own property are less likely to suffer from domestic abuse as they have a way out (FAO, 2016c). Women have limited access to large, more profitable and wholesale markets. Wholesale marketing is mostly associated with men and retail and small marketing with women. Women have less access to mobility and transportation means, including trucks, and usually can only carry a small number of products, so they mostly only have access to local markets. Women usually sell milk, vegetables and fruits, including berries and other non-wood forest products. These are usually products that women produce or collect themselves. As for men, they are mostly associated with selling meat. FAO focus groups

⁸⁵ <https://agenda.ge/en/news/2020/4041>

⁸⁶ <https://www.geostat.ge/en/modules/categories/50/households-income>

⁸⁷ <https://www.fao.org/3/ca0577en/CA0577EN.pdf>

	<p>also revealed that, in some cases, women were perceived as better sellers due to the stereotype that women have better communication skills than men.</p> <p>Women are underrepresented in cooperatives both as members and as chairpersons (see sections above on cooperatives). The SRDG aims to promote women's social and economic advancement. However, gender equality considerations are not systematically mainstreamed in other laws and decisions, including the Law on Cooperatives, although some programmes focus especially on women's participation. Women comprise 25 percent of the members of all farmers cooperatives, according to the latest data (ACDA, personal communication, 2017). Out of 2106 cooperatives, only 100 (4.7 percent) are headed by women. There are reoccurring gender imbalances in food and nutrition security. Access to diverse, high-quality food is problematic especially in mountainous regions due to difficult climatic conditions and poor infrastructure. Despite the fact that women buy and cook food for their family, they consume food with lower nutritional value than men do. This has direct effects on women's health, preterm complications and mortality as well as the health of new-borns and infants (FAO, 2016).</p> <p>Poor housing has a significant impact on rural women's workload. Since domestic activities are socially linked with female gender roles, infrastructural development (e.g., women's lower access to transportation and mobility) and the low level of modernization of households, including access to domestic appliances, create an increased burden for local women. Women are also severely affected by water restrictions because when there is no centralized water supply they are responsible for fetching water. This adds an extra burden to their workload. Without access to basic energy recourses as well as modern energy services, rural women spend most of their day performing basic subsistence tasks including the time-consuming and physically draining tasks of collecting biomass fuels (RCDA and WECF 2014; CENN, 2014). Other health hazards arise from the fact that women do most of the cooking. They are exposed to large amounts of smoke and particulates from indoor fires and suffer from a number of respiratory diseases. Unequal gender relations limit women's ability to participate and voice their energy needs in decision-making at all levels of the energy system. Given that care responsibilities are mostly placed on women's shoulders, the limited availability of childcare facilities in rural areas limits women's economic opportunities. This also has a direct impact on women's access to learning and economic opportunities and access to decision making.</p> <p>There is low-level access to rural finance. Women's access to financial resources is dependent on women's access to property in rural areas. Due to limited or no access to land and other property, women cannot participate in some of the agricultural funding schemes and are not always eligible for bank loans. Based on FAO research, women are less likely to be registered as property owners – whether of land, houses, or capital equipment – leaving them at a significant disadvantage. For the same reason, funding schemes in rural areas are less accessible for women except for the cases when women are the target.</p> <p>The availability of sex-disaggregated data at the national level has increased in recent years. (Since 2011, Geostat has regularly collected sex-disaggregated data in health, education, social protection, labour, income and expenditure, entrepreneurship, crime and representation in the institutions of governance policy areas. These statistics are presented in Geostat's annual publication "Women and Men in Georgia.") However, in spite of the progress made, there are still areas where accurate and reliable gender-sensitive data and gender-specific indicators are needed.</p>
<p>"Gender, Agriculture and Rural Development in Georgia", FAO, 2018</p> <p>Evaluation of ENPARD Programme in Georgia, Final Report, EuroPlus Consulting & management/SOGEROM/A pplus+, 12/05/2021</p>	<p>An FAO report analysed gender inequalities in relation to causes and their impacts on the economic and social development of rural areas, and on food security and nutrition In the LAGs, a high level of female participation was observed in the composition of the grant selection committees. Women made up 25% of the members of all farmers cooperatives, according to 2017 data from the Agricultural Cooperatives Development Agency. Out of 2106 cooperatives, 100 (4.7 percent) were headed by women. Wholesale marketing is mostly associated with men and retail and small marketing with women. Sustained efforts were made by ENPARD II to ensure fair representation of marginalised groups (women, youth and the disabled) within the LAG structures (and other structures) and this proved relatively successful as a means of ensuring that their voices were heard in decision-making,(pp.12-13) Among ENPARD III stakeholders, women are well represented.(p.21)</p>
<p>Evaluation of ENPARD Programme in Georgia, Final Report, EuroPlus Consulting & management/SOGEROM/A</p>	<p>While ENPARD does not have any direct influence over the availability of, and access to, basic services, they are still important indicators of well-being in rural communities. A number of rural communities are still not connected to the main rural water supply (p.210), while the availability of basic education in rural areas does not match the expected increase in general education, although there does appear to have been some improvement since 2015. In terms of social assistance, there has been little real change across the entire country, including rural areas, during the period of ENPARD implementation.</p>

<p>pplus+, 12/05/2021 (pp.194, 195 citing GEO STAT data, p.199, p.203, diagram C4, p.210)</p>	<p>In recent years, the reduction in poverty in rural areas has grown faster than in urban areas, even though rural poverty exceeds urban poverty. The non-rural sector remains the main engine of growth of the overall economy and this possibly explains the increased remittances to the rural sector, from the growing urban sector. This is also reflected in the per capita purchasing power of the rural sector, which is rising faster than the urban sector, and gradually closing the spending gap. (194). The 2019 target of GEL 851 for rural areas had already been achieved in 2018.</p> <p>The share of income from agricultural production has fallen since the start of ENPARD II to roughly the level at the start of ENPARD I, based on a household survey. (See average monthly income from selling agricultural production, even in absolute current term, p.195.) Unfortunately, the upward trend of consumer prices negates the growth of per capita current expenditure over the decade since 2010. Less than GEL 40 (or €10) per month are derived from agricultural production, out of average incomes of GEL 250. One consistent explanation is that non-farm incomes are the key to the decline in rural poverty. While not definitive proof of causation, it has been argued that the EU policy dialogue and substantial funding to the sector, as well as for regional development, public administration, trade and other economic initiatives, will have together contributed to this progress on poverty, promoting sustainable and inclusive growth, and consolidating and improving democratic and economic governance. (p.195)</p>
<p>Evaluation of ENPARD Programme in Georgia, Final Report</p>	<p>There was an increase in the share of those employed in non-agricultural occupations out of the total employed in rural areas, from 26.6% in 2016 (the Programme baseline) to 33% in 2018 (p.57)</p> <p>Diversification of the existing rural economy can help to decrease the dependence on smallholder farming and other low-value activities, which aggravate the problems of rural youth migration and marginalisation, especially in remote areas. Gradual diversification of the rural economy has led to improved employment and living conditions in rural areas. LAGs, set up under ENPARD, implemented non-farm rural initiatives: of the eight ENPARD LAGs, five had implemented non-farm rural development activities by the end of December 2018, while a further two were in the process of project selection. UNDP reported that 17 AMAGs (Georgian local action groups) in Adjara had implemented non-farm rural development activities by the end of December 2018. Two other LAGs were established with FAO/Austrian project support, and an FAO mission (in April 2019) confirmed that several non-farm activities had been initiated. "This is a credit to ENPARD that three types of active local groups based their support for non-farm initiatives on local development strategies drafted from local assessments of local priority needs" (p.100). The EU final evaluation noted that these LAGs were broadly sustainable in the medium term, although in the longer term, they would need to establish revenue streams to support their activities. Besides agricultural grant-supported investment activities, which are numerous, LAG initiated non-agricultural economic projects include the following areas: tourism (hospitality/accommodation); artisanal activities; socio-economic activities including social benefits, access to quality services (dental services, pharmacy, medical services), various construction and infrastructure repair services (electrician, furniture production); beauty salon and various aesthetic services; art classes; marketing services and business printing services; educational (computer schools, kindergartens and after-school facilities and education centres – for those preparing for university entrance; and a host of agricultural post-harvest and support / service activities (e.g. meat processing; veterinary services and pharmacy; processing of linari (flax) oil production; processing of wines, beer and traditional spirits production; milk processing; fruit and vegetable drying plants, machinery - hay production, potato production, various grains - cattle feed (combined) production; small mechanisation services; and GPS support for cadastre services. (pp.100-101).</p>

I-6.3.2 Increased capacity of local authorities, community groups and civil society for participation, decision-making and implementation of policies.

Under ENPARD I, grants under the Complementary Assistance component were made available to support pilot rural development measures in three municipalities: Lagodekhi; Borjomi and Kazbegi. Evidence is available, at this point, only for Lagodekhi. Expected results were the formation of effective and sustainable Local Action Groups (to promote development, the formulation by the LAGs of environment- and gender-sensitive Local Development Strategies, innovative off-farm initiatives in line with the LDS, and the building of links between LAGs. In general, the goal was local stakeholder empowerment and creation of scalable bottom-up rural development initiatives. The project (implemented by the consortium led by CARE) followed the LEADER approach to establish preconditions for participatory local development in rural communities, addressing needs and improving service delivery. The aim was to involve local partners in steering the future development of their

area and delivering improved services and support in local rural communities by means of a bottom-up approach in line with the LDS. A sub-grant scheme included a series of capacity building initiatives (training sessions, seminars and round table discussions) aimed at improving the capacities of the project applicants and members of the Local Action Group (LAG) working groups; e.g. on agriculture, tourism, social issues such as youth, gender, those suffering from disabilities, and infrastructure. Particular attention was paid to mobilising women (although sex-disaggregated data were not collected) and addressing needs of ethnic minorities; the project was also active in Abkhazia. The project was implemented in close cooperation with the governing bodies of the local municipality, which ensured overall synergy and good cooperation in addressing the local problems. Training was provided regarding project planning and management, finance & accounting, and the development of business plans, and feasibility studies and technical assessments were carried out for proposed sub-projects. The final evaluation of ENPARD I noted significant project impacts as of October 2017: social assistance provided to children in need; the promotion of the role of women in local development; and the focus on addressing the major priority needs listed in the local development strategy. Of the eight ENPARD LAGs established through ENPARD in Georgia (not counting the 5 LAGs established in Abkhazia), six had implemented non-farm rural development activities by the end of December 2018. However, the scale of the intervention was modest, consisting of 31 projects in receipt of sub-grants and a total beneficiary population of just over 8, 000. The project continued its activities within the framework of ENPARD II, and the ENPARD I evaluation review mission considered prospects for sustainability to be good.

<i>Evidence</i>	
Overall assessment of quality and credibility of evidence	Evidence consists entirely of reports from one Complementary Assistance activity and largely reflects the finding of the ENPARD I final evaluation. Considered as evidence for Georgia-wide improvements, this evidence from pilot initiatives is assessed as Weak .
<i>Sources of information</i>	<i>Evidence</i>
ENPARD I, Final Evaluation ENPARD II, III, IV, FA TAPs Final Evaluation, ENPARD	<p>Under ENPARD 1, grants under the Complementary Assistance component, were made available to support pilot Rural Development Measures in three municipalities: Lagodekhi; Borjomi and Kazbegi. Four results were expected: a replicable system of cooperation among local stakeholders (Local Action Group/LAG) to promote local development is operational and sustainable; an environmentally sustainable, gender sensitive local development strategy (LDS) integrating local players and sectors is developed by the LAG; local stakeholders are empowered and capacitated to implement innovative off-farming, farming and non-economic initiatives orientated to the priorities of the Local Development Strategy (LDS); local development players build links with other LAGs, Policy makers and other donor programs to boost local activities and to lobby for the scale-up of bottom-up approaches to rural development.</p> <p>In Lagodekhi, the project implemented by the consortium led by CARE, was aimed at introducing and applying the 'LEADER' approach by establishing the required preconditions for participatory local development in rural communities, to address the needs of the targeted local population and deliver improved services, targeted to the identified priority needs of different sectors and of the various social groups for local development planning and implementation. The project was in line with the Georgian SADG and was a pilot initiative to support elaboration of the RDSG. The aim was to involve local partners in steering the future development of their area, and delivering improved services and support in local rural communities by means of a bottom-up approach. The project aimed to create an enabling environment for sustainable pro-poor socio-economic development in the district and was supported by the ETEA Foundation, which introduced the 'LEADER' approach to the project and provided considerable assistance with adapting the approach and preparing the local population for involvement in the process. The project design was based on the LEADER model and included a sub-grant scheme, which was supported by a comprehensive mobilisation of the population within communities and a series of capacity building initiatives aimed at improving the capacities of the project applicants and members of the Local Action Group (LAG) working groups. The project supported the development of a Local Development Strategy (LDS), the priorities of which were considered during the selection process of the submitted applications.</p> <p>The project target groups included members of the established LAG and the final beneficiaries, which included some 600 households that would benefit from environmental, social, tourism and cultural initiatives as well as the total population of Lagodekhi Municipality (41,678 people), which</p>

would benefit from a diversified local economy and improved living conditions. The LAG formed within the framework of the project included 125 members from all 15 administrative units of the municipality. 57.6 % of the members represented the private sector, 22.4% the public sector and 20% civil society from within the municipality. The LAG structure consisted of a General Assembly (GA), which included around 125 local residents interested in joining the LAG, the LAG Board (comprising 15 selected members) and an elected president, vice-president and executive secretary. To ensure that it was responsive to the needs of the local population, the members of the LAG and its Board represented different priority sectors within the municipality, including tourism, agriculture, infrastructure development and youth groups.

Efforts were taken by the project to ensure coordination with the other pilot projects, which was mainly realised through exchange visits to other rural areas where these projects were being implemented by PIN and Mercy Corps. Complementary activities from other donor interventions included the Caucasus Nature Fund (CNF) project related to the conservation of the Lagodekhi Protected Area national park and respective capacity development of the staff and UNDP projects related to gender, eco-clubs and eco-camps implemented by youth groups.

In terms of capacity building, education, information and capacity development events, including training sessions, seminars and round table discussions, improved the skills of the LAG members with respect to the selected sectors and innovative approaches regarding their development. as well as project proposals for further consideration, to be able to draft the local development plan. The thematic groups on agriculture, tourism, social (covering youth, gender, those suffering from disabilities) and infrastructure, proved to be effective in addressing the main needs and priorities of the targeted population. The project was implemented in close cooperation with the governing bodies of the local municipality, which ensured overall synergy and good cooperation in addressing the local problems. The project has provided assistance with building capacity of the targeted population. In total, 158 participants (out of whom 69 were females and 89 males) attended the special training courses regarding project planning and management, finance & accounting, and the development of business plans. Two study visits were paid to the Spanish LAGs by the Lagodekhi LAG members, which enabled them to observe how the LAGs had been formed in Spain and learn best practice. In addition, several visits from Spanish LAGs were made to Lagodekhi municipality. Further meetings and information-sharing sessions were also planned during the project lifetime. The exchanges enabled LAG members to establish new contacts, share information and best practice and strengthen ties with similar groups within the EU. The project has signed Memoranda of Understanding (MoUs) with two LAGs in Andalusia (Spain), and cooperates with them for the implementation of joint projects on environment and tourism in Lagodekhi. A group called 'Friends of Lagodekhi' (which currently includes both local and international representatives) has been established within the framework of the project, and is a platform for those interested in the development of the municipality. However, it should be noted that, despite the efforts of the project in relation to capacity development of the LAG members, the establishment of youth groups and exchange visits, the sustainability of the established LAG cannot be fully ensured without government support and government policies at the national level. The capacity development events (e.g. training, seminars and consultations with respective experts), feasibility studies and technical assessments conducted for each of the sub-projects was designed to create the foundations for future sustainability. The sub-grant scheme was enlarged due to the contribution of resources both of the Lagodekhi municipality and the sub-grant applicants.

The project finished at the end of October 2017 and several impacts were already noticeable: the increased income of those involved in sub-projects; the social assistance provided to children in need; the promotion of the role of women in local development; and the focus on addressing the major priority needs listed in the local development strategy. The grant component had been initiated to improve the lives of the local population, through creating an income-generating environment and supporting both small and medium sized businesses, as well as some social/youth projects. Out of the total of 31 projects in receipt of sub-grants, there were 8,216 beneficiaries in total, 89 of whom were employees (40 females and 49 males) in the target area. (ENPARD 1, FR, Final Evaluation)

The project continued its activities within the framework of ENPARD II in a consortium, which comprised CARE, Mercy Corps and PIN, led by Mercy Corps, which aimed at building the capacities of the LAGs, contributing to their institutional strengthening, improving coordination with other LAGs and lobbying through the formation of a Georgian Association of LAGs (GALAG).

The LAG Board is actively working on the statute and strategies to ensure the sustainability of the LAG presence in Lagodekhi, to enable LAG to apply for grants and other opportunities. The established platform 'Friends of Lagodekhi' will also contribute to the sustainability if the LAG . Project signs were available in all the sub-projects. The project does not contain any sex disaggregated indicators, although efforts were made to ensure the

	<p>inclusion of women in project activities. For instance, out of the 31 grant sub-projects, 12 are headed by women (and the target of 'at least 30% of initiatives funded by the project are headed by women' was met). The project funded an important initiative related to raising awareness about early marriages in ethnic minorities, with a total number of 600 beneficiaries. The initiative was highly relevant since many ethnic minorities reside in the municipality, and many still practice early marriages.</p> <p>Of the eight ENPARD LAGs established through ENPARD in Georgia (not counting the 5 LAGs established in Abkhazia), six had implemented non-farm rural development activities by the end of December 2018. A further two ENPARD LAGs were still in the process of project selection (as verified by the external review mission whose findings correspond with the Delegation's project monitoring information). Additionally, the review also visited four out of the 17 active AMAGs in Adjara and were able to verify that the four had also implemented non-farm rural development activities by the end of December 2018³⁴. These activities included tourist accommodations in protected areas, kindergarten equipment, solar system capacity and food processing. The review mission concluded, on the basis of their independent review and observations of the 6 LAGs and 4 AMAGs that both local groups: a) based their support for non-farm initiatives on local development strategies drafted from local assessments of local priority needs; b) had direct and regular relations with policy decision makers (MEPA and the Adjara MoA) that had resulted in influences on national rural development policy (Georgia and Adjara), and c) appeared broadly sustainable in the medium term, especially when considering ongoing and future expected support. Some NGOs have a general preference for the methodology adopted by LAGs following the pure LEADER approach, but the Delegation considers that the review mission followed objective criteria to verify the AMAGs' compliance with the local action group approach. Moreover, it should also be noted that the Ministry of Adjara is in the process of encouraging the merge of several AMAGs into bigger units called 'Leader AMAGs' to further enhance their capacities and sustainability potential³⁵. Furthermore, within the EU-funded programmes to promote the LEADER approach, we also encourage the incorporation of AMAGs into LAGs in Adjara. (Disbursement Note, 20 July 2019; ENP II FA TAPs) Active Citizen Local Groups (AMAGs) were established in the Adjara Autonomous Republic with UNDP support.</p>
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I-6.3.3 Increased rural incomes and living standards (evidenced by household income and expenditure surveys, etc.) and improved rural access to social services (health, education, legal, social welfare), education, and public goods (roads, infrastructure, community centres, etc.). (sex- disaggregated when possible)

Under ENPARD III, a specific condition related to increased income of rural households through the establishment of SMEs. The third tranche review assessed that the GoG was fully compliant. Examination of the detailed databases of Enterprise Georgia and Georgia's Innovation and Technology Agency (GITA) confirmed that nearly 4000 SMEs in rural areas were provided with financial and technical support and training during the years 2017-2019. Note, however, that this evidence pertains to SME support, and only indirectly to the income effects of such support. The EUD judged that it was likely that a fourth tranche condition on training resulting in SME startups and enhanced sales would be met, but COVID-19 related conditions may have made sales targets and multiplier effects in terms of the formation of additional SMEs unattainable. As a result, Government proposed a reduction in the Indicator's business development targets while retaining the training target (much of which was achieved on-line). This had still to be agreed by the EU.

Other specific conditions related to improved access to infrastructure. The ENPARD III third tranche review judged that Government had fulfilled the condition on rural settlements with new or improved infrastructure was fulfilled; however, a specific condition related to an increase in the rural population with access to new or upgraded public infrastructure was judged by the fourth tranche Review as unlikely to be fulfilled, even controlling for the effect of COVID-19. ENPARD I final evaluation report asserted that support to non-agriculture related activities in rural areas had doubtless had some positive impacts on quality of life.

<i>Evidence</i>	
Overall assessment of quality and credibility of evidence	Evidence for this indicator is assessed as Weak because of the absence of an up-to-date rural household income and expenditure survey alluded to above, and the fact that the evidence collected covers only budget support conditions related to SMEs and infrastructure. No information on access to basic social services has been identified.

Sources of information	Evidence
<p>Final Evaluation of ENPARD 1</p> <p>ENPARD I, FA, Annex: TAPs</p> <p>ENPARD III, FA, Annex: TAPs</p> <p>ENPARD II Budget Support Eligibility Assessment–disbursement of 2018</p> <p>ENPARD III, 3rd tranche review</p>	<p>With respect to rural incomes, under ENPARD III (3rd tranche release) condition 2 specifically related to the increased income of rural households, through the establishment of SMEs, with Indicator 1.2.2 requiring 'At least 3,000 active SMEs in rural areas supported through public funds between 01.01.2017 and 31.12.2019. The review assessed that Government was fully compliant. Through examination of the detailed databases of Enterprise Georgia and Georgia's Innovation and Technology Agency (GITA), the review was able to confirm that 3865 SMEs in rural areas were provided with financial and technical support and training during the years 2017-2019, through the Micro and Small Business Support and Produce in Georgia programmes managed through Enterprise Georgia (2931 SMEs) and an IT training programme managed by GITA (934 SMEs). The number of SMEs supported by Enterprise Georgia fell over the period, with limited activity in 2019. The number supported by GITA also fell, but less dramatically. The figure of 3865 SMEs, based on the Review's examination of Enterprise Georgia and GITA databases and adjusted to remove double-counting and those not in rural areas, differs from that of 3882 provided in the self-assessment report, but both are well above the Indicator target of "at least 3000".</p> <p>The EUD judged that it was only likely that a 4th tranche condition (Indicator 1.2.3: At least additional 2,000 graduated beneficiaries in rural areas enhanced entrepreneurial skills through trainings supported by public funds between 01.01.2017 and 31.12.2020, out of which at least 500 achieved increased sales and at least 40 set up new active SMEs) would be met if business targets were adjusted. GITA in its 2019 RDAP Progress statement indicates that between 2017 and 2019 the entrepreneurship skills were enhanced through training for 1800 beneficiaries in rural areas, with 300 achieving increased sales and 20 establishing new SMEs. This would suggest that in a normal year it should have been possible for the 2020 indicator target in terms of training to have been met (and the RDAP Annual Progress Reports seem to show that it has already been met). The emphasis in 2020 would have been on turning this training into additional sales for some beneficiaries and the establishment of new SMEs by others. However, with the restrictions imposed by the coronavirus pandemic, 2020 has not been a normal year and the prospects for increased sales and new business have been difficult in an environment where the economy as a whole is expected to contract by some 4%. As a result, Government has proposed a reduction in the Indicator's business development targets while retaining the training target (much of which was achieved on-line). This had still to be agreed by the EU.</p> <p>With regard to living standards and infrastructural; developments, one condition related to social conditions and living standards (Indicator 2.1.3: At least 35% increase of the population in rural settlements with access to new or upgraded public infrastructure completed between 01.01.2017 and 31.12.2020 compared to baseline value) was judged by the Review as being unlikely to be fulfilled. The MoRDI submissions to the IACC on 2019 give the population reached through these infrastructure activities as 588,886 in 2017-2019 (65.4% of the Indicator target). These figures appear to have been set against settlement numbers that double-counted settlements from one year to the next where settlements benefitted from infrastructure projects in more than one year and as such had to be assumed to be an over-estimate. Even without the impact of Covid, the additional population to benefit in 2020 to reach the target was considered high, especially with the elimination of double counting. Although such small infrastructure activities might have continued without significant disruption during the COVID-19 restrictions, it seems unlikely. As a result it was deemed difficult to meet the target of 900,000 people in rural settlements by the end of 2020. (EUD disbursement decision, July 2019)</p> <p>Without doubt, support to non-agriculture related activities aiming to improve the quality of life in rural areas and to encourage diversification of the rural economy had some practical impact, as for instance, with the rehabilitation of the road infrastructure to enable local cooperatives to access their crop-fields, production of a textbook on apiculture distributed to municipality schools to promote beekeeping and planting nectariferous plants and trees (e.g. chestnut) to improve honey production. (ENP 1, Final Evaluation, Final Report)</p> <p>Indicator 2.1.2 New or upgraded public infrastructure completed in at least 1,150 rural settlements by 31.12.2019. Baseline value (2016): 600 rural settlements with new or upgraded public infrastructure completed with public funds by 31.12.2016.(ENP III 3rd tranche review) fulfilled</p> <p>Indicator 2.1.3: <i>At least 35% increase of the population in rural settlements with access to new or upgraded public infrastructure completed between 01.01.2017 and 31.12.2020 compared to baseline value.</i> Review Assessment: unlikely to be fulfilled. (4th tranche condition)</p>

	<p>Increased income of rural households Indicator 1.2.2 At least 3,000 active SMEs in rural areas supported through public funds between 01.01.2017 and 31.12.2019. Baseline value (2016): 2,049 active SMEs in rural areas supported through public funds by 31.12.2016. (ENP III 3rd tranche review) Indicator 1.2.2 At least 3,000 active SMEs in rural areas supported through public funds between 01.01.2017 and 31.12.2019. fulfilled (ENP III) Indicator 2.1.2 New or upgraded public infrastructure completed in at least 1,150 rural settlements by 31.12.2019.</p> <p>The Lagodekhi project under ENPARD 1, did not contain any sex disaggregated indicators, although efforts were made to ensure the inclusion of women in project activities. (see 1-6.3.2 above) (ENP 1, Final Evaluation, Final Report)</p> <p>Social conditions and living standards cover a Specific Condition on improved rural infrastructure and improved skills development and local population engagement (ENP III, 3rd tranche review)</p>
<p>Living standards</p> <p>'The Well-being of children and their families in Georgia: Welfare Monitoring Survey, fifth stage, 2017 (Prepared by Analysis and Consulting Team), 22 October 2018, UNICEF, Tbilisi, Georgia⁸⁸</p>	<p>The WMS survey shows that the percentage of households living below each of the three poverty thresholds is higher in rural areas than in urban areas, with the exception of extreme poverty, in 2017. When analysing the extreme poverty gap, urban areas experience higher gaps for all years except for 2011. The urban extreme poverty gap increased from 23.4% in 2015 to 29.3% in 2017, and the rural poverty gap rose from 22.9% to 28.0% in the same period.</p> <p>Household consumption would have had to increase by nearly one-third (28.7%) of the extreme poverty line on average in 2017 to lift households out of extreme poverty</p> <p>An estimated 24.1% of households live below the relative poverty line in rural areas, and 20.9% in urban areas.</p> <p>The amount of extremely poor households is estimated to be 4.0% in rural areas and 4.5% in urban areas. The incidence of general poverty has increased from 16.4% of total households in 2015 to 19.6% in 2017. However, the country is still better off when compared to 2013.</p> <p>The overall consumption poverty figures mask the dynamics of change, since they represent the net effects of changes. Over the last two years, some households have risen from poverty, while others have become newly poor.</p> <p>Almost half of newly-poor households are found in rural areas. Out of households that are newly poor, 47.9% reside in rural areas; 2.7% of newly poor households include at least one disabled person, compared to only 2.2% of other households that include a disabled person</p>
<p>WMS 2017, UNICEF published 2018⁸⁹</p> <p>Statistica, "Poverty Rate in Georgia"⁹⁰</p> <p>ADB Poverty Report, Georgia⁹¹</p>	<p>In 2017, the income of urban households was higher than that of rural households: the average urban household's nominal income was 867.1 GEL while the average rural household's earnings stood at 672.7 GEL. On average, urban households received a monthly income of more than 29% of that of rural households. Salaries represent 64.8% of the total monthly household</p> <p>On average, urban households spend more on long-term non-food items, eating outside the home and education, whereas rural households spent more on eating at home and healthcare.</p> <p>Income inequality decreased, while consumption inequality remained at the same level.</p> <p>The survey revealed that 22.5% of households live below the relative poverty line with a marked difference between rural (24.1%) and urban (20.9%) areas. WMS 2017 published 0218</p>
<p>Evaluation of ENPARD Programme in Georgia, Final Report, EuroPlus Consulting & management/SOGEROM/A pplus+, 12/05/2021</p>	<p>Income inequality within rural areas fell in the first year of ENPARD II, but there was little change thereafter. Although there was a narrowing in gender inequality in land holdings between 2015 and 2020, much progress has still to be made. (p.204 citing GEOSTAT data)</p> <p>The percentage of the total population in rural areas is declining, with the fall increasing in pace since 2015. (196) Some areas of Georgia have lost more than 50% of their inhabitants since 1994, and the country overall since then has witnessed a population fall of 24%. Tbilisi and Adjara have lost the least population in % terms. (p.196 citing GeoStat and National Bank of Georgia statistics at regional and municipal level)</p>

⁸⁸ <https://www.unicef.org/georgia/media/1266/file/WMS%202017%20ENG.pdf>

⁸⁹ <https://www.unicef.org/georgia/media/1051/file/WMS.pdf>

⁹⁰ <https://www.statista.com/statistics/205453/poverty-rate-in-georgia/>

⁹¹ <https://www.adb.org/countries/georgia/poverty>

	<p>While unemployment within the country has fallen to 12.7%, there is no disaggregation for rural areas. Formal employment in agriculture, however, is negligible, at around 12,000, although these data do not reflect the creation of any unofficial jobs. (p.197)</p> <p>The results of the activities from the ENPARD LEADER programmes include inter alia data per sector and per region, cultural statistics (e.g. attendance in museums for instance), business statistics (e.g. firms registered), financial statistics (NBG, outstanding credits), use of IT technologies, attendance in schools and environmental statistics (e.g. on reforestation) While these statistics are usually provided on-line at regional level, some data are available at municipal level (e.g. GEOSTAT or NBG). (pp.196, 197)</p>
Evaluation of ENPARD Programme in Georgia, Final Report,	Rural poverty had fallen from 27.4% in 2016 to 25.7% in 2020 (p.164 citing GEOSTAT data)


I-6.3.4 Narrowing of rural-urban living standards gap and reduction in regional and territorial disparities.

Regional disparities, and especially rural-urban gaps, are a major issue in Georgia and are specifically targeted by the Integrated Development budget support programme (EU4ITD). While there is agreement that these disparities persist, data to track them with any credibility are weak. GEOSTAT statistical yearbook data on rural and urban income is helpful, but cannot substitute for a full household income and expenditure survey. Information from the EU's budget support programmes on regional development and integrated territorial development do not contain such data.

Evidence	
Overall assessment of quality and credibility of evidence	Evidence on this indicator is assessed as Weak .
<i>Sources of information</i>	<i>Evidence</i>
<p>Support to Regional Development Policy in Georgia (ENPI/2013/024-707), 2015-17</p> <p>Support to Regional Development Policy in Georgia, 2018-20</p> <p>Action Document, EU4ITD CRIS: ENI//2019/041-934, Annex 2)</p> <p>EU4ITD, Financing Agreement, SRPC, signed</p>	<p><u>Regional and territorial component of EU support</u></p> <p>The overall poverty level for the country is approximately 22%, although it is distributed unevenly, with higher rates in rural areas than in urban ones. There are also significant disparities between urban and rural areas, especially in terms of incomes and living standards. The incidence of extreme poverty in rural areas is almost twice that in urban areas. 42.8% of the population resides in rural areas, and almost half of the rural population is engaged in agriculture, forestry, and fishing, although the sector contributes less than 10% to GDP. Georgians are younger than the average for all EU countries (the country average being 38.1), although in certain regions (e.g. Guria, Racha-Lechkhumi and Kvemo Svaneti), the average age is higher (between 41.8 and 48.2 years. (Geostat, 2016-2018, population data: national and region-specific data)</p> <p>Regional economic imbalances remain high in Georgia, especially between Tbilisi, the capital, and the remainder of the country. The capital for example accounts for almost 50% of the country's GDP. While Tbilisi accounts for 72% of all business turnover in Georgia: four regions together (Guria, Racha-Lechkhumi and Kvemo Svaneti) account for just 1%. Regional disparities are due primarily to the uneven availability of, and access to, basic services such as infrastructure development and support to agriculture, VET and SME development.</p> <p>The poverty inequalities, the rural-urban divide and the need for regional socio-economic development remain key development challenges for the GoG and it is within this context that the EU has focused on supporting a more balanced territorial development through two budget support programmes: the Regional Development Programme of Georgia (RDP), 2015-2017, and the EU4 Integrated Territorial Development (EU4ITD),</p>

<p>EC September 2020,Annex 1, TAPs,</p> <p>GEOSTAT, 2016-2018, population data: national and region-specific data</p>	<p>2018-2021 (with a financial value of Euros 50.4 million in total: euros 40.5 million for budget support and euros 13.5 million for Complementary Support).</p> <p>The latter was launched to support the implementation of the Government Programme “Pilot Integrated Regional Development Programme” (PIRDP), 2020-2022. The newly elected Government of Georgia (GoG) and the EU, prepared, in 2012, the RDP, followed by the development of Socio-Economic Development Strategies for each region, prepared by the respective Regional Consultative Councils, ensuring a mix of both top-down and participatory approaches, as well as a three-year Action Plan to facilitate implementation of the strategies. The IRD for 2018-2021, builds on the experience of the RDP, by focusing more on territorial development and setting development targets for 2021. The GoG, jointly with the EU, identified four pilot regions (Kakheti, Imereti, Racha-Lechkhumi and Guria), the main programme beneficiaries, where the PIRDP is being implemented. The development of a Medium-Term Decentralisation Strategy, 2019- 2025, followed that aims to expand the competencies of, and to grant more financial resources to, the sub-national authorities.</p>																												
<p>Support to Regional Development Policy in Georgia (ENPI/2013/024-707)</p> <p>EU Delegation Assessment of compliance of conditions for the third and final instalment 2017</p>	<p>A "Review of Regional Statistics" was prepared by the EU technical assistance project. The initial version of the document was published on MRDI website at the end of 2016. .</p> <p>The report underlines three main aspects of EU regional cohesion policy (economic, territorial and social dimension) that has to be tailored with set of indicators used in Georgian context. Also, need for not only capturing the current situation, but also measuring structural changes and long term trends is underlined.</p> <p>The report reviews and criticises the regional disparities report produced by the International School of Economics Tbilisi (ISET) in 2016. It is recognized that the ISET report describes general disparities between planning regions, however with limited analysis of trends.</p>																												
<p>GEOSTAT data⁹²</p>	<p>Distribution of average monthly income in urban and rural areas (GEL million) shows that the income gap between the areas did not narrow between 2010 and 2020 but indeed increased:</p> <table border="1" data-bbox="495 783 1126 914"> <thead> <tr> <th></th> <th>2010</th> <th>2012</th> <th>2014</th> <th>2016</th> <th>2018</th> <th>2020</th> </tr> </thead> <tbody> <tr> <td>Urban</td> <td>436.3</td> <td>521.3</td> <td>656.0</td> <td>726.6</td> <td>760.7</td> <td>747.8</td> </tr> <tr> <td>Rural</td> <td>253.0</td> <td>309.5</td> <td>379.9</td> <td>400.2</td> <td>426.5</td> <td>446.9</td> </tr> <tr> <td></td> <td>183.3</td> <td>211.8</td> <td>276.1</td> <td>326.4</td> <td>334.2</td> <td>300.9</td> </tr> </tbody> </table>		2010	2012	2014	2016	2018	2020	Urban	436.3	521.3	656.0	726.6	760.7	747.8	Rural	253.0	309.5	379.9	400.2	426.5	446.9		183.3	211.8	276.1	326.4	334.2	300.9
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EQ7 - Economic development and market opportunities (DCFTA, SMEs, VET)

<p>To what extent has EU support to Georgia contributed to better economic development and increased market opportunities including trade development, support to SMEs, innovation, vocational educational training and skill development?</p>		
<p><i>Description/ Rationale</i></p>	<p><i>The purpose of support to DCFTA and SMEs was to assist the GoG in the implementation of the DCFTA, which was designed to facilitate Georgia's economic integration into the EU market through institutional and regulatory reforms in trade and private sector development, with a particular focus on strengthening the capacities of Georgian SMEs (to enable them to benefit from the positive effects of the DCFTA). Included in SME development are entrepreneurship and access to finance when business opportunities arise. Closely related to SME development in line with DCFTA is support to skills development and Vocational Education and Training (VET). EU support to VET and employment focused on improving cooperation between VET and various public and private bodies active in the labour market, increasing the attractiveness of the VET system to potential students and employers and improving access to quality VET and employment service provision. A key focus of support was on developing skills and matching these against labour market needs (linked to market opportunities) with the intention that developing human capital and skills sets would contribute to sustainable and inclusive growth and strengthen coordination between the education system</i></p>	

⁹² <https://www.geostat.ge/en/modules/categories/50/households-income>

(especially VET) and the labour market. The JCs below address the opportunities raised by DCFTA (JC7.1), strengthening SMEs (JC7.2), and VET/labour market strengthening by improved matching of skills with needs (JC7.3).

JC7.1 Improved trade environment in line with DCFTA

Improved trade environment in line with DCFTA

I-7.1.1 Progress on trade-related approximation measures (SPS, animal welfare, public procurement, standards and technical barriers to trade, metrology, accreditation, anti-dumping, etc.) as foreseen in DCFTA Action Plans.

The 2017 Georgia Compliance Review – EU Sector Budget Support Programme Support to EU-Georgia DCFTA and SME – found that the implementation of the DCFTA had “proceeded steadily, if unspectacularly”. Progress was achieved regarding the approximation and enforcement of DCFTA-related legislative acts. According to GoG data provided by the EU Delegation, approximation to in the EU acquis context of the DCFTA has general been on a good track and stood at 56% (of all agreed approximation measures) in December 2021. However, some delays particularly in services were reported.

As an example for the enforcement of new legislation in the area of industrial products, the newly established Technical and Construction Supervision Agency effectively monitored market surveillance. Yet, GoG was advised to “improve overall coordination of the implementation of the DCFTA and the Sector Reform Contract and establish a comprehensive system for financial and technical monitoring of the implementation of the DCFTA and SME Action Plans.” The DCFTA comprises around 300 technical regulations, covering SPS (272 regulations) and TBT measures (27, including 21 New Approach Directives and 6 horizontal legislation), which should be transposed into national law by 2027.

In 2017 a new web portal (www.DCFTA.gov.ge) was launched as a comprehensive information tool on the Association Agreement (AA) and the DCFTA. This site provides information on the EU internal market, state services which promote export of Georgian products to the EU market, export procedures, food safety requirements, certification, rules of origin and on trade statistics. Dedicated DCFTA Information Centres were established in four regions and reached out to more than 1,500 SMEs.

To increase the transparency of DCFTA implementation, in 2020 a number of roundtables were held for local entrepreneurs and media representatives in the format of a trade advisory group. The participants identified relevant activities on labour protection, environment and climate action.

The 2019 Association Implementation Report on Georgia noted that the implementation of commitments stemming from the AA, including DCFTA, had continued within agreed timelines. However, later assessments show that few milestones have been fully achieved yet and implementation remained work in progress in all areas. As of 2020, Georgia had advanced its reforms in order to bring Georgian IP laws into line with the AA. The national exhaustion regime concerning trademarks currently does not comply with the provisions of the DCFTA. The National Intellectual Property Centre of Georgia Sakpatenti was continuing its Geographical Indications registration activity. However, the revision of the legal framework on the protection and quality control system of Geographical Indications in compliance with EU legislation was reported to be delayed

Regarding technical barriers to trade, Georgia continued to improve the national quality infrastructure, in particular in the fields of: standards and metrology. The laboratory of small volumes underwent a peer review to obtain international recognition as a valid reference laboratory. On accreditation, the Georgian Accreditation Centre was preparing a conformity assessment of approximated “new and global approach” directives (e.g., explosives for civil use, medical devices, appliances burning gaseous fuels, personal protective equipment). On market surveillance, the Technical and Construction Supervision Agency was progressing with the provision of market surveillance services for a range of industrial and consumer products, with a particular emphasis on toy safety.

On food safety and sanitary and phytosanitary (SPS) standards, Georgia has been working since 2010 to approximate and implement 272 EU agri-food legal instruments by 2027. By 2020, 101 veterinary, phytosanitary and food safety regulations had been approximated on the basis of an institutional and policy development process guided by the National Food Agency’s 2017-2019 institutional development and reform plan. However, implementation of SPS standards remains a challenge

for farmers and food business operators. Furthermore, according to the UNECE Georgia Needs Assessment 2018, “the approximation involved transposing the main principles of the EU directives into national law along with the harmonized standards referenced in the associated EU technical regulations. This does not mean that the EU regulations were transposed ‘as is’”.

The new Customs Code entered into force in September 2019 and is based on the principles of modern customs infrastructure, simple and fair procedures, and digital customs; i.e., electronic provision of all customs services to businesses. In May 2019, the Government established a National Trade Facilitation Committee to oversee obligations under the Trade Facilitation Agreement and issues relating to the establishment of the authorised economic operator system.

On rules of origin, the Ministry of Finance Revenue Service made progress in joining the Common Transit Convention (CTC) and launching a new computerised transit system. Activities included developing a set of transit procedures, setting the requirements of future IT design and the design and implementation of training programmes and modules.

Regarding DCFTA provisions on competition, GoG focussed mainly on amending the Competition Law in order to increase the investigative powers of the Competition Agency, adopt antitrust procedures and introduce a two-phase merger procedure.

Georgia continued to approximate its public procurement legislation to the EU acquis. Amendments were prepared to establish an independent and impartial Dispute Resolution Council, to which all legal and physical persons will be entitled to appeal in connection with tendering procedures. The amendments are expected to grant sufficient powers to the Review Body to assess direct procurement.

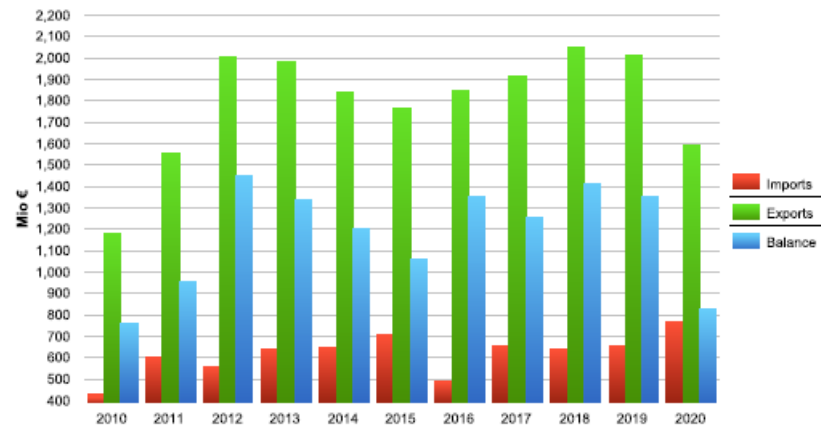
In sum, there is ample evidence for progress at the output level. The picture is less clear for outcomes. The fact that Georgian exports to the EU have increased by 15.3% since DCFTA came into force (see above) suggests that the gradual, ongoing implementation of the DCFTA Action Plans has produced results, i.e. has had a positive effect on Georgia’s economy in general and market access to the EU in particular. However, in the four years preceding DCFTA exports had increased by an even larger ratio, i.e. 34.4%. It is therefore not possible at this stage to find clear evidence for the effectiveness of the EU’s support in relation to broader economic development objectives.

<i>Evidence</i>	
Overall assessment of quality and credibility of evidence	Despite a wealth of sources, quantitative data and qualitative assessments, it is currently not possible to find clear evidence for the effectiveness of the EU’s support in relation to broader economic development objectives. In view of this, the strength of evidence for this indicator is assessed as Medium
<i>Sources of information</i>	<i>Evidence</i>

Eurostat⁹³

Total goods: EU Trade flows and balance, annual data 2010 - 2020

Source Eurostat Connect - Statistical regime 4



Total goods: EU Trade flows and balance

Source Eurostat Connect - Statistical regime 4

Period	Imports			Exports			Balance Value Mio €	Total trade Value Mio €
	Value Mio €	% Growth	% Extra-EU	Value Mio €	% Growth	% Extra-EU		
2010	424	0.0	0.0	1,183	0.1	0.1	759	1,607
2011	600	41.5	0.0	1,554	31.4	0.1	955	2,154
2012	555	-7.5	0.0	2,004	28.9	0.1	1,449	2,559
2013	641	15.4	0.0	1,977	-1.4	0.1	1,337	2,618
2014	646	0.9	0.0	1,840	-6.9	0.1	1,194	2,486
2016	704	9.0	0.0	1,763	-4.2	0.1	1,059	2,467
2018	491	-30.2	0.0	1,843	4.5	0.1	1,352	2,334
2017	652	32.8	0.0	1,906	3.4	0.1	1,253	2,558
2018	634	-2.9	0.0	2,045	7.3	0.1	1,412	2,679
2019	655	3.4	0.0	2,008	-1.8	0.1	1,353	2,663
2020	763	16.5	0.0	1,587	-21.0	0.1	824	2,350

% Growth: relative variation between current and previous period

% Extra-EU: imports/exports as % of all EU partners i.e. excluding trade between EU Member States

Georgia: Compliance Review
– EU Sector Budget Support
Programme Support to EU-
Georgia DCFTA and SME,
June 2017

Background: The Association Agreement (AA) was signed on the 27th June 2014 and ratified by the Georgian Parliament on the 18th July 2014. The Agreement defines the actions to be taken in 28 sector policy areas, and comprises some 34 Annexes and Protocols, which identify the Legislation, Directives and Regulations that must be transposed into Georgian legislation within a 2-7 years' time period. In order to meet these goals, a National Action Plan for the Implementation of the Association Agenda (2014)² and an Action Plan for the Implementation of the Deep and Comprehensive Free Trade Area (2014- 2017) were drafted and approved by the Government Commission on EU Integration (GCEUI) on the 29th July 2014, and adopted by Government Decree (N^o 1516) on the 26th August 2014. The Association Agenda, setting out the priorities for the period 2014-2016 was adopted by the Association Council on the 14th November 2014. On the 1st September 2014, approximately 80% of the AA, including all trade-related elements, entered into force in advance of the final ratification of the Treaty by all Member States.

The EU has consistently supported the Georgian authorities to implement the Agreements. On the 14th July 2014, the Commission Services adopted the implementing decision (COM2014 5020 Final) covering the Financing Agreement (ENI/2014/037-381) to provide financial assistance from the ENI Annual Action Programme 2014 in the form of a Sector Reform Contract (SRC). The SRC is designed to support the implementation of the DCFTA 2014-2017 and the SME Development Strategy for Georgia 2016-2020. The Sector Reform Contract included an allocation of €25 million for Sector

⁹³ https://webgate.ec.europa.eu/isdb_results/factsheets/country/details_georgia_en.pdf

	<p>Budget Support and €19.534 million for Complementary Support. The overall objective of the SRC is to assist the Government of Georgia in the implementation process of the Deep and Comprehensive Free Trade Area (DCFTA), facilitating Georgia's economic integration into the EU market.</p> <p>A Trade Sustainability and Impact Assessment, financed by the EU and published in October 2012, concluded that the DCFTA would have a positive impact on GDP growth (+4.3%) in the longer term, that there would be a net increase in national income of approximately €292 million, and that employment and real wages would rise as a result of the implementation of the AA/DCFTA. It was forecast that Georgian exports to the EU would increase by 12% percent, while imports would rise by 7.5%. While not articulated as impact indicators in any official document, these might be construed as implicit targets and will be used to guide the following discussion.</p> <p>It is difficult to determine the impact that the conclusion and subsequent implementation of the DCFTA has had upon the economic performance of the Georgian economy, primarily because one cannot know the counterfactual (i.e. what would have happened to the Georgian economy in the absence of the conclusion and implementation of the DCFTA).</p> <p>Given the relative fragility of the Georgian economy, the Government of Georgia has done well to maintain macro-economic stability in spite of severe exogenous economic pressures, occasioned by the global economic crisis and slow-down in economic growth in the Russian Federation. After a decade of robust economic growth (2003-2012), during which GDP grew by an annual average of 6.1%, the economy slowed significantly in 2013 (GDP +3.4%), but bounced back in 2014 (estimated outturn +4.6%), only to fall back again in 2015 and 2016 (2.9% and 2.7% est. respectively). Nevertheless, the Table below illustrates that in the seven years since 2010, per capita GDP has grown from 2,623 USD to 3,852.5 USD, a rise of 46.87%. The IMF is currently forecasting GDP growth of 3.5% in 2017 and 4% in 2018.</p>
<p>SME Policy Index: Eastern Partner Countries 2020 : Assessing the Implementation of the Small Business Act for Europe, Chapter 10. Georgia: Small Business Act country profile, 2020</p>	<p>Since the provisional application of the DCFTA in 2014, a constant increase of Georgia's exports to the EU can be observed. Throughout 2014-18, the total volume of export to EU markets has increased by 17%, accounting for 21.7% of exports in 2018. Imports from EU countries have increased by 10%, accounting for 29% of total imports in 2018. Overall, since 2009, Georgia has experienced the strongest GDP growth among the six EaP countries and can be considered the most resilient economy in the region.</p> <p>Georgia's growth and resilience through the turbulence of the last decade suggest that these reforms have been bearing fruit in the form of better economic outcomes. However, while the solid, growth has been unspectacular, the evident constraints on growth Georgia encounters are a reminder that these indexes are not comprehensive. The latest World Economic Forum (WEF) Global Competitiveness Index thus ranks Georgia 74th among 141 countries. While the WEF ratings confirm Georgia's strong performance on a number of dimensions (such as institutions, ICT adoption, business dynamism and product market regulation), it also points to potentially serious constraints with respect to skills of current workforce, internal labour mobility, infrastructure, market competition, and the financial system – including the financing of SMEs, on which it is ranked 83rd.</p>
<p>JOINT STAFF WORKING DOCUMENT, Association Implementation Report on Georgia, 2021</p>	<p>The EU remains Georgia's largest trading partner. In the first eleven months of 2020, trade turnover between the EU and Georgia amounted to EUR 2.1 billion, down by 12% compared to the same period in 2019. From January to November 2020, the EU27 imported goods from Georgia worth EUR 671 million, up by 16% compared to the same period in 2019. In the same period, the EU27 exported goods to Georgia worth EUR 1,443 million (21% lower than in the first eleven months of 2019).</p> <p>Civil society remained very active in holding public institutions to account and monitoring the implementation of the AA, including the Deep and Comprehensive Free Trade Agreement (DCFTA). Against the backdrop of the COVID-19 pandemic, civil society played a more important role than ever in supporting those in need</p> <p>As regards the transparency of DCFTA implementation, a number of roundtables were held for local entrepreneurs and media representatives in the format of a trade advisory group. The participants identified relevant activities on labour protection, environment and climate action.</p> <p>With regard to intellectual property rights (IPR) protection and the enforcement system, Georgia has advanced its reforms in order to bring Georgian IP laws into line with the AA. The national exhaustion regime concerning trademarks currently does not comply with the provisions of the DCFTA. The National Intellectual Property Centre of Georgia Sakpatenti continued its Geographical Indications registration activity. The revision of the legal framework on the protection and quality control system of Geographical Indications in compliance with EU legislation has been delayed.</p>
<p>JOINT STAFF WORKING DOCUMENT, Association</p>	<p>Civil society remained very active in holding public institutions accountable and monitoring the implementation of the AA, including the Deep and Comprehensive Free Trade Agreement (DCFTA). Tensions persisted between certain civil society organisations (CSOs) and state institutions. The use of force against demonstrators in June 2019 is under investigation.</p>

<p>Implementation Report on Georgia, 2020</p>	<p>On technical barriers to trade, Georgia has continued to improve the national quality infrastructure, in particular in the fields of: standards and metrology, where the laboratory of small volumes has undergone a peer review to obtain international recognition as a valid reference laboratory; accreditation, where the Georgian Accreditation Centre is preparing for conformity assessment of approximated 'new and global approach' directives (e.g. explosives for civil use, medical devices, appliances burning gaseous fuels, personal protective equipment); and market surveillance, where the Technical and Construction Supervision Agency is progressing with the provision of market surveillance services for a range of industrial and consumer products, in particular as regards toy safety.</p> <p>On food safety and sanitary and phytosanitary (SPS) standards, Georgia has been working since 2010 to approximate and implement 272 EU agri-food legal instruments by 2027. To date, it has approximated 101 veterinary, phytosanitary and food safety regulations on the basis of an institutional and policy development process guided by the National Food Agency's 2017-2019 institutional development and reform plan. Implementation of SPS standards remains a challenge for farmers and food business operators. In 2019, Georgia drafted a national phytosanitary strategy (focus on plant protection), which MEPA has not yet formally approved, and a national food safety strategy, expected to be approved in Spring 2020. This will complement the 2016-2020 national animal health programme which is already in place.</p> <p>The new Customs Code entered into force in September. It has three main principles: modern customs infrastructure, simple and fair procedures, and digital customs, i.e. electronic provision of all customs services to businesses. On 1 May, the Government established a National Trade Facilitation Committee to oversee obligations under the Trade Facilitation Agreement and issues relating to the establishment of the authorised economic operator system.</p> <p>As regards rules of origin, further efforts are needed on traceability and the reliability of proofs of origin in order for products to be able to benefit from preferential treatment. The Ministry of Finance Revenue Service made progress in joining the Common Transit Convention (CTC) and launching the new computerised transit system. Activities included developing a set of transit procedures, setting the requirements of future IT design and the design and implementation of training programmes and modules.</p> <p>Georgia continues to implement the DCFTA provisions on competition, focusing on amending the Competition Law in order to increase the investigative powers of the Competition Agency, adopt antitrust procedures and introduce a two-phase merger procedure. In addition, these amendments aim at ensuring coherence in the application of competition law in the regulated sectors (communication, energy and finance) and other sectors of industry, and to make structural changes to make investigations more efficient. Further capacity-building of the Georgian Competition Agency, which is now also in charge of consumer protection, is ongoing.</p> <p>As regards the transparency of DCFTA implementation, a number of roundtables were held for local entrepreneurs and media representatives in the format of a trade advisory group. The parties identified relevant activities on labour protection and the environment, including climate action.</p> <p>Georgia continues to approximate its public procurement legislation to the EU acquis. Amendments have been prepared to establish an independent and impartial Dispute Resolution Council, to which all legal and physical persons will be entitled to appeal in connection with tendering procedures. The amendments are expected to grant sufficient powers to the Review Body to assess direct procurement.</p> <p>With regard to intellectual property protection and the enforcement system, Georgia has advanced its reforms in order to bring Georgian IP laws into line with the Agreement. Further amendments to IPR laws and in particular on the trademark law are expected to be made in cooperation with the EU Intellectual Property Office. The national exhaustion regime concerning trademarks does not currently comply with provisions of the agreement.</p>
<p>JOINT STAFF WORKING DOCUMENT, Implementation Report on Georgia, 2019</p>	<p>Overall, the implementation of commitments stemming from the AA including its Deep and Comprehensive Free Trade Area (DCFTA) has continued within agreed timelines. The revised Association Agenda (2017-2020) sets jointly agreed priorities towards further implementation of the AA.</p> <p>Due to the progressive approximation of technical regulations and standards with those of the EU, Georgia continues strengthening its participation in international value chains. In 2017, the EU was an important trade partner of Georgia with 27% share in its overall trade. Preliminary data for 2018 also confirm the importance of the EU as a trade partner for the country. In this context, the opening of the EU market to new animal-origin products from Georgia was an important milestone.</p> <p>Regarding external trade, the EU continued to be an important partner of Georgia, with a 27% share in the country's overall trade in 2017. The total EU-Georgia bilateral trade in 2017 amounted to EUR 2.66 billion. In the first nine months of 2018, total EU-Georgia trade increased by 5% in comparison to the same period of the previous year. Imports from Georgia to the EU decreased by 0.4% and exports to Georgia from the EU increased by 7%. The process of approximation of Georgia's legislation in trade-related areas advanced in 2018. In addition, in 2018 Georgia continued to</p>

	<p>negotiate and conclude various free trade agreements. Georgia is also in the process of finalising internal procedures for the creation of the National Committee on Trade Facilitation to comply with the World Trade Organization (WTO) Trade Facilitation Agreement.</p> <p>When it comes to technical barriers to trade, Georgia has continued to improve the national quality infrastructure, in particular in the field of: a) standards and metrology, where the laboratory of humidity has undergone a peer review to obtain international recognition as a valid reference laboratory; b) accreditation, where the Georgian Accreditation Centre is preparing for the implementation of EU standards, including in the areas of information security management and occupational health and safety; c) market surveillance, where the Technical and Construction Supervision Agency is progressing in the provision of market surveillance services for a range of industrial as well as consumer products.</p> <p>As regards sanitary and phytosanitary standards the National Food Agency (NFA) has continued its institutional development process under the NFA Institutional Development and Reform Plan and has started preparatory activities for the development of its Quality Management System. Staff has continued to be trained extensively and legal approximation has proceeded as planned. Based on consumer surveys conducted in 2018, the level of public awareness of the NFA and its functions has continued to improve although it still remains relatively low. In 2017, the NFA was heavily involved in addressing the Brown Marmorated Stink Bug outbreak, which caused significant losses in agricultural production, particularly for hazelnuts and citrus. The efforts deployed for monitoring and controlling this pest in 2018 are yielding positive results and preliminary forecasts suggest that losses were less severe in 2018.</p> <p>On customs and trade facilitation, the Law on Border Measures Related to Intellectual Property Rights (IPR) entered into force in February 2018. The Regional Convention on pan-Euro-Mediterranean preferential rules of origin applies since June 2018. A draft of the new Customs Code is currently undergoing final revision. Georgia is implementing relevant legal, administrative and technical reforms with a view to acceding to the EU's Convention on a Common Transit Procedure and the Convention on the Simplification of Formalities in Trade in Goods. Georgia is also in the process of setting up its National Trade Facilitation Committee in compliance with the WTO Trade Facilitation Agreement.</p> <p>As regards public procurement, the roadmap developed in 2016 by the Government and State Procurement Agency (SPA) continues to provide for the alignment of the legislation in this area in five phases, until 2022. This roadmap has still not been adopted by the Association Committee in Trade Configuration despite being required by the AA. In accordance with the AA, the SPA has elaborated legislative changes and ensured the establishment of a body tasked with the review of decisions taken by contracting authorities. The amendments were passed by the Parliament of Georgia on 23 December 2017. According to the changes, the new review body was created with representatives of different governmental and non-governmental entities. However, this solution does not comply with the requirements to set up an independent and impartial review body as set out in the DCFTA.</p> <p>Regarding IPR, the National Intellectual Property Centre of Georgia, Sakpatenti, prepared the package of draft amendments in the Georgian IPR legislation, approved by the Parliament at the end of 2017 with the aim of approximating to EU standards required under the DCFTA. The lists of geographical indications protected under the DCFTA were adjusted in March 2018 with four new Georgian geographical indications added and EU wines list updated. Georgia continues to make progress with the provisions of the DCFTA on competition, focusing on capacity building of the Georgian Competition Agency (GCA), on cooperation between the GCA and the sector regulators, and on promotion of a public competition culture.</p>
<p>JOINT STAFF WORKING DOCUMENT Implementation of the European Neighbourhood Policy in Georgia Progress in 2014 and recommendations for actions, 2015</p>	<p>Georgia and the EU signed the Association Agreement including the Deep and Comprehensive Free Trade Area (AA/DCFTA) on 27 June 2014. Georgia ratified the AA on 18 July 2014. The AA/DCFTA has been provisionally applied since 1 September 2014. In June 2014 the EU and Georgia agreed jointly on the Association Agenda. It provides a set of priorities for implementing the AA/DCFTA. Political dialogue between the EU and Georgia further intensified in 2014. An unprecedented meeting between the Georgian Government and the College of Commissioners took place in May 2014. In November 2014 the first meeting of the EU-Georgia Association Council took place and Georgia was the host of the Eastern Partnership Civil Society Forum in Batumi.</p> <p>The reformed EU Generalised Scheme of Preferences (GSP) was applied from January 2014, with Georgia qualifying for the Special Incentive Arrangement for Sustainable Development and Good Governance, GSP+. In February 2014 the government adopted a decree assigning the Ministry of Economy and Sustainable Development a coordinating role in implementing the AA/DCFTA, and in July it approved a multiannual action plan for implementing the AA/DCFTA during the period 2014- 17.</p> <p>Georgia removed all import duties on products from the EU. Georgia and the EU started exchanging information on the recent updates to the EU acquis covered by the reform process, and prepared the institutional aspects of implementing the AA/DCFTA. In January 2015 the National Action Plan was approved by the government, setting the timeframe for implementing all commitments of Georgia linked to the DCFTA.</p>

	<p>As of September, the government assigned to the customs authorities competence for issuing the certificates necessary to apply for AA/DCFTA-based duty-free access to the EU market. Centralising this responsibility, previously shared between four different state institutions and agencies, brought Georgia's arrangements into line with the EU customs policy and AA/DCFTA provisions. The customs authorities also finalised the draft new Customs Code in line with AA/DCFTA provisions. A system of prior notification for imported goods which are subject to phytosanitary and veterinary control was introduced, and simplified customs clearance procedures for group consignments came into force.</p> <p>A law on competition broadly in line with EU competition legislation was adopted in March 2014 and an independent Competition Agency was created in April to oversee its implementation. The agency was given further supervisory responsibilities in October, though the low level of funding allocated to it could limit its capacity for enforcement.</p>
<p>Georgia: Compliance Review – EU Sector Budget Support Programme Support to EU-Georgia DCFTA and SME, June 2017</p>	<p>the implementation of the DCFTA has proceeded steadily, if unspectacularly. The Government is compliant with General Condition, Public Policy. That said, the MoESD should set itself less ambitious, more realistic targets for what is achievable in an Annual Action Plan, improve overall coordination of the implementation of the DCFTA and the Sector Reform Contract, and establish a comprehensive system for financial and technical monitoring of the implementation of the DCFTA and SME Action Plans. The preparation of a revised DCFTA Action Plan 2018-2020 is underway. In this context, the MoESD should ensure that the Action Plan is fully costed, that it includes output and outcome indicators, and is achievable with the financial, technical and human resources available.</p> <p>The Assessment Team has concluded that the Government is compliant with the General Condition related to Public Policy, GC 1: Satisfactory progress in the implementation of the partner country policy and strategy and continued credibility and relevance of that or any successor strategy as evidenced by the adoption of subsequent DCFTA annual action plans; establishment and functioning of a DCFTA Advisory Group with the participation of civil society, the business community and other relevant stakeholders.</p> <p>For example: In late 2015, the MoESD and MoA submitted to the EU Delegation the approximation list for 2016, which focused primarily on EU sanitary and phytosanitary, animal welfare and food safety. The agreed list, comprising 25 pieces of legislation, was subsequently adopted by Government Decree N°641 on the 30th December 2016. All 25 pieces of legislation were drafted by Government and passed by Parliament.</p>
<p>Final Report Budget Support Georgia, Support to EU-Georgia Deep and Comprehensive Free Trade Area (DCFTA) and Small and Medium size Enterprises (SMEs), 2018</p>	<p>Support to EU-Georgia Deep and Comprehensive Free Trade Area (DCFTA) and Small and Medium size Enterprises (SMEs), 2015-2018: Almost 90 trade related legal acts were approximated. The agencies responsible for standards and metrology, accreditation, market surveillance (i.e. related to the Technical Barriers to Trade (TBT) Chapter of the DCFTA), public procurement and competition were reinforced in order to be able to implement and enforce the legislation adopted. In 2017, the new web portal www.DCFTA.gov.ge was launched as a comprehensive information tool on the Association Agreement and the DCFTA. This site provides information on the EU internal market, state services which promote export of Georgian product to the EU market, export procedures, food safety requirements, certification, rules of origin and on trade statistics. Dedicated DCFTA Information Centres were established in four regions and reached out to more than 1,500 SMEs. The Programme is closely linked to the access to finance component under EU4Business and thanks to information and advice provided under this Programme, approximately 6500 Georgian SMEs received loans from credit lines managed under the DCFTA Facility for SMEs in 2016 and 2017.</p> <p>Overall, statistics confirm a positive trend in turnover and trade. According to 2017 Eurostat data, the EU is the most important trade partner of Georgia with a 27% share in its overall trade (24% in exports and 28% imports) and is followed by Turkey (15%), Russia (11%), China (9%) and Azerbaijan (8%). In 2017 the overall trade between the EU and Georgia increased by 6% year-on-year and amounted to EUR 2.66 billion. EU exports to Georgia increased in that time by 1.4% while EU imports from Georgia noted an increase of 23% compared to 2016.</p> <p>Georgia has an untapped trade potential not only in relation to trade in goods, but also services and public procurement. The DCFTA will help Georgia to diversify its economy and enhance regional trade with its neighbours and the broader pan-euromed region. Thus, the purpose of the DCFTA and by extension of this Budget Support Programme has not only been to enhance Georgia's access to EU markets, but also to strengthen the capacities of Georgian enterprises to compete on global markets (China, Hong Kong, India etc.). At the same time, alignment with the EU acquis as set out in the DCFTA has clear benefits for consumers given increased food and product quality but also contributes to a better and fairer business environment.</p> <p>The Sector Reform Contract "Support to EU-Georgia Deep and Comprehensive Free Trade Area and Small and Medium Size Enterprises" has progressed throughout its lifecycle and has delivered concrete results. Notable progress was made in approximation and enforcement of DCFTA-related legislative acts. During the years 2015-2017, over 70 legislative acts were approximated, majority of them in the area of SPS. As an example of effective enforcement of new legislation in the area of industrial products, the newly established Technical and Construction Supervision Agency</p>

	<p>effectively monitored market surveillance. In 2016, 325 lifts and 2 cableways and in 2017, 85 boilers and 30 pressure vessels were inspected. Businesses and in particular SMEs have benefitted from actions implemented within the framework of this programme. For example, the Budget Support has triggered a more active approach of the government towards public-private dialogue. A performance indicator under this programme led to the government decision to establish a Private Sector Development Advisory Council and engage in a learning-by- doing process on public-private dialogue. SME institutions improved their service delivery, the number of SMEs provided with DCFTA-related EDA advisory services and training increased by annually 30%.</p> <p>However, some indicators of achievement may have been better defined (i.e. have more quantified indicators; have a clearer demarcation between indicators and EU funded technical assistance). These general observations have already been taken on board when developing the policy matrix and the indicator passport for the successor programme on Economic and Business Development in Georgia.</p> <p>In order to further implement the provisions of the DCFTA and continue support to SME development in Georgia, we have the following recommendations:</p> <ul style="list-style-type: none"> • Continued progress regarding DCFTA implementation (e.g. standardisation and metrology infrastructure, accreditation and market surveillance, competition policy and implementation of SPS measures) will require sustained efforts by the Georgian authorities. Whilst this Sector Reform Contract has come to an end, the EU side will continue to accompany Georgia in this process through policy dialogue – predominantly within the framework of the Association Committee in Trade Configuration – and via support, <i>inter alia</i>, under ongoing and future technical cooperation facilities as well as ENPARD. <p>In order to further enhance economic integration between Georgia and the EU and to work towards SMEs becoming the backbone of the Georgian economy, the work of Enterprise Georgia and the Georgian Innovation and Technology Agency (GITA) will continue to play a pivotal role as regards value chain optimisation, cluster development and business sophistication. A holistic Sector Reform Contract on Economic and Business Development in Georgia which was signed in Brussels on 21 November 2018 will assist the Georgian authorities to enhance business sophistication and value chain development. Technical assistance will help the government to address possible shortcomings in the implementation of the SME Strategy.</p>
<p>UNECE, Regulatory and Procedural Barriers to Trade in Georgia. Needs Assessment, 2018⁹⁴</p>	<p>Since 2014, efforts have been mainly focused on approximating six EU horizontal Directives along with 20 New Approach sectoral directives¹¹⁵ as established under the provisions of the DCFTA. The DCFTA comprise around 300 technical regulations, covering SPS (272 regulations) and TBT measures (27, including 21 New Approach Directives and 6 horizontal legislation), which should be transposed into national law by 2027. To ensure timely fulfilment of the Government’s commitments under the DCFTA, multiannual and annual action plans integrating legislative approximation were adopted. The plans are revised as needed to take into account the enterprises’ emerging needs based on bi-annual and (if needed) quarterly progress reports, listing achievements made and proposing changes for the consideration of the Ministry of Economy and Sustainable Development. Thus far, the revisions have mainly involved shifting the sequence of legislative approximation by according priority to technical regulations deemed as carrying significant importance for export and import activities. Implementation has been proceeding according to plans, and without challenges, so that by the end of 2017, the ministries had successfully approximated 80 technical regulations, including 74 SPS and 6 TBT regulations. As explained by officials, the approximation involved transposing the main principles of the EU directives into national law along with the harmonized standards referenced in the associated EU technical regulations.¹¹⁶ This does not mean that the EU regulations were transposed “as is”. Officials emphasized that these were adapted to the national context based on ex-ante assessments that were carried out by the line ministries.</p>
<p>Ex-post evaluation of the implementation of the Deep and Comprehensive Free Trade Area between the EU and its Member States and Georgia</p> <p>Interim report</p>	<p>It is difficult to find a common trend among the different aspects of the overall bilateral economic relations. Trade flows between the EU and Georgia have remained largely unchanged since the provisional entry into force of the DCFTA. Different sources give quite different pictures of the dynamics of exports from Georgia to the EU, but the most reliable data point at stagnation. Trade in services has expanded more steadily, but here it is also difficult to detect the impact of the DCFTA. Foreign direct investment (FDI) flows have remained dynamic, and accumulated stocks are very large (given the small size of the Georgian economy), but these seem to be more influenced by the construction of pipelines and ‘tax-savings’ schemes than by the potential transfer of industrial know-how.</p> <p>The DCFTA has primarily facilitated trade in manufactured goods. However, Georgia mainly exports non-manufactured goods to the EU such as raw materials, whose prices have increased considerably. As a result, the overall structure of exports from Georgia has not improved because the</p>

⁹⁴ https://unece.org/DAM/trade/Publications/ECE_TRADE_443E_Georgia.pdf

Draft, 19 October 2021	<p>positive effects of the DCFTA have been eclipsed by a boom in commodity (copper ore) exports driven mostly by higher prices for copper (up over 100% since 2014).</p> <p>The implementation of the DCFTA has not led to a trade diversion between Georgia and its non-EU trade partners. In fact, the shares of the main non-EU trade partners, such as Azerbaijan, Russia and China, increased significantly in both Georgia's exports and its imports in 2014-2019. However, this trade expansion was achieved at the expense of other countries, as the EU maintained its share in Georgia's exports and imports and remained its main trade partner. From the EU's perspective, despite positive developments in trade volume, trade with Georgia remains rather marginal in terms of the EU's total trade.</p> <p>The rate of use of preferences by Georgian and EU exporters has been below the average rate observed in the region. Preferences were used most extensively by both sides in agricultural categories, rather than in the main export categories of Georgia (mineral products) and the EU (machinery).</p>
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I-7.1.2 Enhanced capacities of relevant trade institutions to develop domestic markets and gain access to regional and European ones.

In 2014 or shortly thereafter, several new institutions were created – or strengthened in their capacity – to accompany and enable the implementation of DCFTA. These include, inter alia, the Agriculture Cooperatives Development Agency to conduct information and awareness campaigns on market-oriented cooperatives among small farmers, and an independent Competition Agency to supervise the implementation of a new law on competition which is broadly in line with EU competition legislation. Institutional and administrative capacity building was provided for the Technical and Constructions Supervision Agency which is responsible for market surveillance. Enterprise Georgia was founded under the Ministry of Economy and Sustainable Development to implement the programme “Produce in Georgia” (launched in 2014) through the promotion of an entrepreneurial culture throughout the country by stimulating the establishment new enterprise and supporting the expansion of existing operations. A key project supported small scale producers in licensing, certification, branding and packaging in order to grow and reach the foreign markets. Almost 50 companies were selected to participate in the project. According to interlocutors, to-date Enterprise Georgia has supported 1054 individual projects with a total of USD 600 million creating some 30.000 jobs. 600 beneficiaries were supported on export-related measures, including visits to around 50 trade fairs in the EU; and 300 executive managers in the export sectors were trained. The role of the EU-funded GIZ project had been crucial for capacity building of Enterprise Georgia.

As discussed under EQ 6, the National Food Agency received EU support in establishing an effective food safety and sanitary and phytosanitary management system in line with EU standards and legislation. SPS and food safety approximation to European standards laws accomplished in the face of determined Russian attempts to spread disinformation regarding impacts on trade with Russia and consumer prices. According to the 2018 Final Report on Budget Support for DCFTA and SMEs, budget support “substantially contributed to strengthening the capacities of [...] DCFTA institutions to better serve the business sector in Georgia and support actions defined in the SME strategy and DCFTA action plan. [...] The agencies responsible for standards and metrology, accreditation, market surveillance (i.e., related to the Technical Barriers to Trade (TBT) Chapter of the DCFTA), public procurement and competition were reinforced in order to be able to implement and enforce the legislation adopted.” An independent academic study by Lela Jamagidze confirms that EU support has had a positive effect on the instruments and agents of trade policy, resulting in the reduction of differences in the regulatory environments of trade between EU and Georgia and the harmonisation of trade policy instruments. However, in 2018 UNECE reported that the Standards Department lacked the required capacity to meet the business community's increasing demand for translated EU and international standards. “Translating these standards into Georgian is a demanding task, requiring advanced technical knowledge of the different aspects of each individual standard.” Overall, if Georgia's ranking positions on the relevant indices and league tables are considered, it can reasonably be assumed that the capacity of trade institutions is well developed. Without high capacity levels, Georgia would hardly rank 7th in the 2020 World Bank's Ease of Doing Business index, and 12th in the 2021 Heritage Foundation's Economic Freedom Index. On the Global Competitiveness Index in the category of “institutions,” Georgia moved up five places from 48th position in 2014-15 to 43rd position (out of 143 countries) in 2019.

Evidence

Overall assessment of quality and credibility of evidence	Evidence for this indicator is assessed as Strong .
<i>Sources of information</i>	<i>Evidence</i>
JOINT STAFF WORKING DOCUMENT Implementation of the European Neighbourhood Policy in Georgia Progress in 2014 and recommendations for actions, 2015	<p>A law on competition broadly in line with EU competition legislation was adopted in March 2014 and an independent Competition Agency was created in April to oversee its implementation. The agency was given further supervisory responsibilities in October, though the low level of funding allocated to it could limit its capacity for enforcement.</p> <p>Preparations for EU support to strengthen institutional and administrative capacities of the Technical and Constructions Supervision Agency and its market surveillance responsibilities were finalised. The agency currently focuses on training and staff development as well as procedures and requirements for market surveillance, in particular concerning legislation to implement EU technical regulations. In September the Georgian Accreditation Centre applied for membership of the European Cooperation for Accreditation Multilateral Agreement. Georgia amended its Food Safety, Veterinary and Plant Protection Code to bring it into compliance with EU requirements. The National Food Agency was awarded a second EU grant to help establish an effective food safety and sanitary and phytosanitary management system in line with EU standards and legislation.</p> <p>In October the government created the Agriculture Cooperatives Development Agency which, under the EU's European Neighbourhood Programme for Agriculture and Rural Development, conducted information and awareness campaigns on market-oriented cooperatives among small farmers. An agriculture sector strategy for the period 2014-20 was published but not yet adopted by the government.</p> <p>The State Revenue Service, with support from an EU Twinning project, conducted an assessment of Georgia's tax legislation. Georgia launched a review of its statistical law to bring it in line with European standards, and the National Statistics Office introduced modern methods of disseminating statistics. A population census was conducted in November and will provide information for future planning.</p>
UNECE, Regulatory and Procedural Barriers to Trade in Georgia. Needs Assessment, 2018	<p>Officials reported that the Standards Department lacks the required capacity to meet the business community's increasing demand for translated EU and international standards. Translating these standards into Georgian is a demanding task, requiring advanced technical knowledge of the different aspects of each individual standard. This has meant that as of January 2018, only 25 ENs have been fully translated, and the selection was made based on the recommendations of the technical committees. There is also the need to increase the involvement of the business community, particularly SME representatives, in the work of technical committees as well as experts and stakeholders from market support institutions (i.e., non-governmental organisations supporting enterprise development such as trade promotion agencies, business support institutions).</p>
US Department of Commerce, Georgia – Country Commercial Guide ⁹⁵	<p>Georgia's successful economic reforms are reflected in its rankings by reputable international organizations. Georgia ranks 7th in the 2020 World Bank's Ease of Doing Business index, and 12th in the 2021 Economic Freedom Index.. According to Transparency International, Georgia has the lowest corruption rate in the region. In August 2021, Fitch International Credit Rating Agency revised the outlook on Georgia's long-term foreign-currency issuer default rating (IDR) from negative to stable. Fitch International Credit Rating Agency also affirmed the IDR at 'BB', citing faster-than-expected economic recovery, strong and convincing macroeconomic policies, and high international support as the main reasons for improvement in the rating outlook.</p> <p>The Georgian government is working to reduce obstacles to doing business in Georgia. The government has reduced or eliminated the majority of tariffs, and depending on the type of goods, custom tariffs could be 0 percent, 5 percent, or 12 percent. The majority of imports are subject to an 18 percent value added tax (VAT) and some products, such as alcohol, tobacco, and automobiles, are also subject to an excise tax.</p> <p>Companies have reported problems arising from a lack of judicial independence, inefficient decision making processes at the municipal level, shortcomings in the enforcement of intellectual property rights (IPR), lack of effective anti-trust policies, selective enforcement of economic laws, and difficulties resolving commercial disputes in a timely manner.</p>
Final Report Budget Support Georgia, Support to EU-Georgia Deep and	<p>Support to EU-Georgia Deep and Comprehensive Free Trade Area (DCFTA) and Small and Medium size Enterprises (SMEs), 2015-2018: Over the last four years, this Budget Support Programme has substantially contributed to strengthening the capacities of SME and DCFTA institutions to better serve the business sector in Georgia and support actions defined in the SME strategy and DCFTA action plan. Almost 90 trade related legal</p>

⁹⁵ <https://www.trade.gov/country-commercial-guides/georgia-market-overview>

Comprehensive Free Trade Area (DCFTA) and Small and Medium size Enterprises (SMEs), 2018	acts were approximated. The agencies responsible for standards and metrology, accreditation, market surveillance (i.e. related to the Technical Barriers to Trade (TBT) Chapter of the DCFTA), public procurement and competition were reinforced in order to be able to implement and enforce the legislation adopted.
Jamagidze, Lela, Institution importation in Georgia-EU trade relations, 2019 ⁹⁶	Evidently, trade policy reforms in Georgia has been part of broader institutional reforms and the EU has had effect on the instruments and agents of trade policy. As a result, differences in the regulatory environment of trade between EU and Georgia have been reduced and trade policy instruments harmonized. Implementation of trade policy reforms is still going on through institution importation. It sometimes involves mutual recognition and adoption of international norms (such as incorporation of WTO articles into DCFTA). Other strategies are adoption of similar norms (as it has taken place in customs procedure reforms), direct transfer of rules and requirements and/or step by step harmonization (as it has taken place in services trade). The role of trade policy making agencies should be not only involvement in fulfilment of DCFTA obligations, but also management of the possible risks that arise during institution importation. They involve mistakes made in a attempt to implement changes in a short period of time and dragging on reforms as a result of interest group activities.
Enterprise Georgia ⁹⁷	In June 2014 the Ministry of Economy and Sustainable Development of Georgia, together with the Ministry of Agriculture, launched a new government program “Produce in Georgia.” The program’s objective is to promote an entrepreneurial culture throughout the country by stimulating the establishment new enterprise and supporting the expansion of existing operations. Enterprise Georgia is the key implementing partner of “Produce in Georgia” and is responsible for business support, export promotion and investment in Georgia sectors. The Business division of the agency promotes entrepreneurial activity in Georgia by supporting entrepreneurs - assisting with the creation of new enterprises as well as the expansion and refurbishment of existing enterprises. The Export division promotes the export potential of the country by increasing the competitiveness of local products and the overall volume of goods directed towards international markets. The Invest division’s primary role is to attract, promote and develop direct foreign investment in Georgia. As the moderator between foreign investors and the Government of Georgia, the Invest division ensures access to updated information, provides an efficient means of communication with Government bodies, and serves as a “one-stop-shop,” supporting investors throughout the investment process

I-7.1.3 Export and import mix increasingly reflect both static and dynamic comparative advantage.

During the period 2014-2019 EU imports from Georgia experienced a significant concentration around copper ores and concentrates. While copper ores and concentrates were already an important product in 2014, they grew almost threefold between 2014 and 2019, and as a result, their share in total imports also increased significantly – they accounted for almost 42% of EU imports from Georgia in 2019. The prices of the raw materials that Georgia exports vary considerably over time (much more than the prices of normal manufactured goods). This is one reason why the value of EU imports from Georgia is somewhat variable, and changes in value do not always correspond to changes in quantity. EU exports to Georgia are less concentrated than EU imports from Georgia, and are concentrated in high value added products. The most important group in 2019 – mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes accounted for around 15% of total EU exports that year.

The composition of EU exports indicates that, on the one hand, Georgia imports goods that are not locally produced due to lack of competitiveness and limited resources. Petroleum oils and oils obtained from bituminous minerals stand out as by far the most important product imported from the EU. However, their share in EU exports to Georgia decreased from 25% in 2014 to 15% in 2019. As this change was not compensated by growth in shares of a single product but rather was distributed among many categories, EU exports to Georgia experienced slight de-concentration.

If the economic impact of the DCFTA is examined through the construction of a counterfactual scenario, i.e. a scenario of what would have happened had the DCFTA not been signed and promulgated and come into force, the results for both EU exports to and imports from Georgia during the 2014-2019 period are as follows: The

⁹⁶ <https://dspace.tsu.ge/bitstream/handle/123456789/591/Institution%20importation%20in%20Georgia-EU%20trade%20relations.pdf?sequence=1&isAllowed=y>

⁹⁷ <https://www.enterprisegeorgia.gov.ge/en/home/about>

effect of the DCFTA on Georgia's imports from the EU exceeded the one on exports. Georgia's imports increased by EUR 99 million (or 4.29%), while the corresponding increase of exports is only EUR 13 million (or 0.92%). Regarding EU imports, the two sectors that saw the biggest change compared to the scenario without the DCFTA are processed food (12.5% compared to the level without the DCFTA) and non-ferrous metals (4.5%). Cereals and other agricultural products also showed a strong performance (38.3% and 8.6%, respectively), but the impact is not as significant in absolute terms. At the same time the impact of on the majority of EU exports to Georgia was miniscule, and in many cases negative. In pharmaceuticals and other services, the negative gap between the scenario with the DCFTA versus without the DCFTA was the biggest.

Overall, the data suggest that DCFTA has not yet resulted in a notable shift of comparative advantage in the export sector. The data rather confirm the assessment of the 2020 OECD SME Country Report Georgia which found that "Georgia's goods export potential is limited by its low-value and undiversified export base. Outside the agriculture sector, used cars, re-exports and base metals account for a large share of foreign sales. The small size of the manufacturing sector limits opportunities to broaden its range of exports." According to interlocutors, in autumn 2020, the EU Delegation to Georgia initiated discussions ("export talks") with about 25 stakeholders of the private and public sector to help identify potential export services/products and opportunities for cooperation. In 2019 and again in 2021, the GoG identified a range of sectors with high potential and interest to enter the EU market. However, the EU Delegation believes that the Georgian market is not big enough for most of the identified products and that the development of some of the sectors in Georgia is rather limited, except for certain nuts, fruits, vegetable, tea, aquaculture products, toys, apparel, pet food, and ITC services. Furthermore, Georgian products are not sufficiently known abroad due to lack of awareness, limited volume, capacity and expertise of production, e-commerce development, market intelligence, knowledge and skills in the Georgian SME community, confidence and branding. This assessment was also confirmed by other interlocutors.

<i>Evidence</i>	
Overall assessment of quality and credibility of evidence	The data gathered are partly contradictory and do not allow for a conclusive, comprehensive assessment of SME's comparative advantages in the export sector. Evidence for this indicator is therefore assessed as Medium .
<i>Sources of information</i>	<i>Evidence</i>
Ex-post evaluation of the implementation of the Deep and Comprehensive Free Trade Area between the EU and its Member States	<p>The economic impact of the DCFTA was examined through the construction of a counterfactual scenario, i.e. a scenario of what would have happened had the DCFTA not been signed and promulgated and come into force. To do this, DG Trade undertook a modelling exercise to construct said scenario using an <i>ex-post</i> approach based on CGE modelling.⁹⁸ The economic impact, which is measured across different variables considered by the CGE model, is thus defined as the difference between what would have taken place had the DCFTA not come into force (the counterfactual scenario) and what in fact did take place during 2014-2019.</p> <p>Table 7.1.3 describes the estimated impact that the DCFTA has had on both EU exports to and imports from Georgia during 2014–2019. The impacts are calculated as the difference between both values divided by the "without DCFTA" value (the counterfactual scenario). Furthermore, the impacts are measured in terms of 2019 euros. According to the simulation, the effect of the DCFTA on Georgia's imports</p>

⁹⁸ In general, *ex-post* analyses are undertaken to compare the factual past with a counterfactual scenario of the past that is constructed under specific hypotheses. By comparing the counterfactual scenario with the actual past, the impact of the assumptions can be quantified as the difference between the scenario and the actual past, as captured through the different variables contained both in the counterfactual scenario and in recorded history. In this case, the hypothesis is the existence of the EU-Moldova DCFTA. On the other hand, *ex-ante* analyses are always forward-looking in nature and are mostly focused on forecasting a particular scenario under different assumptions.

and Georgia,
Interim report
Draft, 19 October 2021

from the EU exceeded the one on exports. Georgia's imports increased by EUR 99 million (or 4.29%), while the corresponding increase of exports is only EUR 13 million (or 0.92%).

Table 7.1.3. The DCFTA's impact on bilateral trade

	EUR million		Impact	
	With DCFTA	Without DCFTA	EUR million	%
EU Imports from Georgia	1,426	1,413	13	0.9%
EU Exports to Georgia	2,399	2,300	99	4.3%

Source: authors' calculations based on the CGE model.

Regarding EU imports, the two sectors that saw the biggest change compared to the scenario without the DCFTA are processed food (12.5% compared to the level without the DCFTA) and non-ferrous metals (4.5%). Cereals and other agricultural products also showed a strong performance (38.3% and 8.6%, respectively), but the impact is not as significant in absolute terms. Beverages and tobacco saw a mild positive change of EUR 1 million or 3.3% in the scenario with the DCFTA versus without the DCFTA. Although other sectors, fruit and vegetables and chemicals experienced a visible positive change in nominal terms, it did not translate into a large percentage change.

According to the CGE modelling on EU exports to Georgia, the biggest nominal impact was estimated in other agriculture and other manufacturing products sectors. However, these are mixed aggregates of various products not classified elsewhere, thus making their interpretation less straightforward. The next two sectors in terms of benefiting from the DCFTA are processed food (EUR 21 million or 22.7%) and rubber and plastics (EUR 11 million or 26.78%). According to the simulation, the impact on majority of sectors was miniscule, and in many cases negative. In pharmaceuticals and other services, the negative gap between the scenario with the DCFTA versus without the DCFTA was the biggest (see Annex C).

At an aggregated level, the most important EU imports from Georgia in 2019 were mineral products, i.e. ores, slags and ash (EUR 308 million) and mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes (EUR 68 million). These were followed by beverages, spirits and vinegar (EUR 48 million), fertilizers (EUR 46 million) and edible fruit and nuts, peel of citrus fruit or melons (EUR 41 million). These five biggest product groups accounted for 76% of EU imports from Georgia in 2019, with ores, slags and ash alone accounting for 46% of said imports.

At HS-4 level, EU imports from Georgia experienced a significant concentration around copper ores and concentrates. While copper ores and concentrates were already an important product in 2014, they grew almost threefold between 2014 and 2019, and as a result, their share in total imports also increased significantly – they accounted for almost 42% of EU imports from Georgia in 2019. The prices of the raw materials that Georgia exports vary considerably over time (much more than the prices of normal manufactured goods). This is one reason why the value of EU imports from Georgia is somewhat variable, and changes in value do not always correspond to changes in quantity.

EU exports to Georgia are less concentrated than EU imports from Georgia, and are concentrated in high value added products. The most important group in 2019 – mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes (EUR 317 million) – accounted for around 15% of total EU exports that year. They were followed by nuclear reactors, boilers, machinery and

	<p>mechanical appliances, and parts thereof (EUR 263 million), pharmaceutical products (EUR 236 million), vehicles other than railway or tramway rolling stock, and parts and accessories thereof (EUR 212 million), and electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles (EUR 115 million). Together, these five groups accounted for 55% of EU exports to Georgia in 2019.⁹⁹</p> <p>The composition of EU exports indicates that, on the one hand, Georgia imports goods that are not locally produced due to lack of competitiveness and limited resources. At HS-4 level, petroleum oils and oils obtained from bituminous minerals stand out as by far the most important product imported from the EU. However, their share in EU exports to Georgia decreased from 25% in 2014 to 15% in 2019. As this change was not compensated by growth in shares of a single product but rather was distributed among many categories, EU exports to Georgia experienced slight de-concentration</p>																																																																
<p>European Commission. Ex-post evaluation of the implementation of the Deep and Comprehensive Free Trade Area between the EU and its Member States and Georgia. Final Report – Annexes, 6 July 2022</p>	<p>Table 7.1.2 EU imports from Georgia</p> <table border="1"> <thead> <tr> <th>Code and short name</th> <th>% of total in 2014</th> <th>% of total in 2019</th> <th>Change</th> </tr> </thead> <tbody> <tr> <td>2603 Copper ores and concentrates</td> <td>22.52%</td> <td>41.78%</td> <td>19.26%</td> </tr> <tr> <td>3102 Mineral or chemical nitrogenous fertilizers</td> <td>6.21%</td> <td>6.29%</td> <td>0.08%</td> </tr> <tr> <td>2709 Petroleum oils and oils obtained from bituminous minerals, crude</td> <td>22.10%</td> <td>5.46%</td> <td>-16.64%</td> </tr> <tr> <td>802 Other nuts</td> <td>22.74%</td> <td>5.37%</td> <td>-17.37%</td> </tr> <tr> <td>2710 Petroleum oils and oils obtained from bituminous minerals</td> <td>22.84%</td> <td>2.79%</td> <td>-20.05%</td> </tr> <tr> <td>2204 Wine of fresh grapes</td> <td>1.95%</td> <td>2.56%</td> <td>0.62%</td> </tr> <tr> <td>4011 New pneumatic tyres</td> <td>0.02%</td> <td>2.39%</td> <td>2.37%</td> </tr> <tr> <td>2201 Waters</td> <td>1.76%</td> <td>1.92%</td> <td>0.16%</td> </tr> <tr> <td>2208 Undenatured ethyl alcohol; spirits, liqueurs and other spirituous beverages</td> <td>3.10%</td> <td>1.75%</td> <td>-1.35%</td> </tr> <tr> <td>7112 Waste and scrap of precious metal</td> <td>1.31%</td> <td>1.46%</td> <td>0.16%</td> </tr> <tr> <td>7202 Ferro-alloys</td> <td>4.91%</td> <td>1.29%</td> <td>-3.62%</td> </tr> <tr> <td>7404 Waste and scrap of copper</td> <td>0.89%</td> <td>1.26%</td> <td>0.37%</td> </tr> <tr> <td>6109 T-shirts, singlets and other vests, knitted or crocheted</td> <td>3.89%</td> <td>1.23%</td> <td>-2.66%</td> </tr> <tr> <td>6307 Made-up articles of textile materials</td> <td>0.00%</td> <td>1.18%</td> <td>1.17%</td> </tr> <tr> <td>2707 Oils and other products of the distillation of high temperature coal tar</td> <td>0.59%</td> <td>0.97%</td> <td>0.38%</td> </tr> </tbody> </table>	Code and short name	% of total in 2014	% of total in 2019	Change	2603 Copper ores and concentrates	22.52%	41.78%	19.26%	3102 Mineral or chemical nitrogenous fertilizers	6.21%	6.29%	0.08%	2709 Petroleum oils and oils obtained from bituminous minerals, crude	22.10%	5.46%	-16.64%	802 Other nuts	22.74%	5.37%	-17.37%	2710 Petroleum oils and oils obtained from bituminous minerals	22.84%	2.79%	-20.05%	2204 Wine of fresh grapes	1.95%	2.56%	0.62%	4011 New pneumatic tyres	0.02%	2.39%	2.37%	2201 Waters	1.76%	1.92%	0.16%	2208 Undenatured ethyl alcohol; spirits, liqueurs and other spirituous beverages	3.10%	1.75%	-1.35%	7112 Waste and scrap of precious metal	1.31%	1.46%	0.16%	7202 Ferro-alloys	4.91%	1.29%	-3.62%	7404 Waste and scrap of copper	0.89%	1.26%	0.37%	6109 T-shirts, singlets and other vests, knitted or crocheted	3.89%	1.23%	-2.66%	6307 Made-up articles of textile materials	0.00%	1.18%	1.17%	2707 Oils and other products of the distillation of high temperature coal tar	0.59%	0.97%	0.38%
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⁹⁹ Georgia has become a trading hub for used cars, allowing it to develop a strong auto servicing sector as cars are first imported, spruced up and consequently re-exported to neighbouring countries. Before the formation of the EAEU, most of the re-exports were sent to Kazakhstan, but since being subject to customs duties, the re-exports have dropped significantly and have been redirected mainly to Armenia and Azerbaijan. Somewhat surprisingly though this activity does not seem to involve many EU-made cars, as most of the re-exports concern cars previously imported from the US or Japan.

6202 Women's or girls' overcoats, car coats, capes, cloaks, anoraks	0.80%	0.87%	0.07%
2008 Fruits, nuts and other edible parts of plants	0.94%	0.72%	-0.23%
6104 Women's or girls' suits, ensembles, jackets, blazers, dresses, skirts, divided skirts, trousers, bib and brace overalls, breeches and shorts, knitted or crocheted	1.06%	0.71%	-0.34%
2820 Manganese oxides	0.52%	0.71%	0.20%
2905 Acyclic alcohols and their derivatives	1.34%	0.70%	-0.64%

Table 7.1.3 EU exports to Georgia

Code and short name	% of total in 2014	% of total in 2019	Change
2710 Petroleum oils and oils obtained from bituminous minerals	25.33%	15.07%	-10.26%
3004 Medicaments for therapeutic or prophylactic uses	8.40%	9.81%	1.41%
8703 Motor cars and other motor vehicles	5.12%	5.14%	0.02%
2208 Undenatured ethyl alcohol; spirits, liqueurs and other spirituous beverages	1.52%	1.85%	0.33%
8517 Telephone sets	1.03%	1.54%	0.51%
9018 Instruments and appliances used in medical, surgical, dental or veterinary sciences	0.90%	1.45%	0.56%
8704 Motor vehicles for the transport of goods	1.20%	1.32%	0.11%
8430 Machinery for earth, minerals or ores; pile-drivers and pile-extractors; snowploughs and snowblowers	0.06%	1.09%	1.03%

	3304 Beauty or make-up preparations and preparations for the care of the skin; manicure or pedicure preparations	0.59%	1.08%	0.49%
	9403 Furniture and parts thereof	0.81%	0.96%	0.15%
	9021 Orthopaedic appliances; hearing aids and other appliances	0.37%	0.95%	0.58%
	1701 Cane or beet sugar and chemically pure sucrose	0.35%	0.94%	0.60%
	8701 Tractors	0.83%	0.93%	0.10%
	8471 Automatic data-processing machines and units thereof; magnetic or optical readers	1.12%	0.90%	-0.22%
	2106 Food preparations	0.41%	0.85%	0.45%
	3002 Human blood; animal blood; antisera and other blood fractions and immunological products; vaccines, toxins, cultures of micro-organisms and similar products	0.59%	0.80%	0.21%
	8708 Parts and accessories for tractors, motor cars and other motor vehicles	1.05%	0.77%	-0.28%
	3303 Perfumes and toilet waters	0.47%	0.75%	0.28%
	8702 Motor vehicles for the transport of >= 10 persons	0.07%	0.72%	0.66%
	6907 Ceramic flags and paving, hearth or wall tiles	0.06%	0.71%	0.65%
UNECE, Regulatory and Procedural Barriers to	These trends are further highlighted from a cursory comparison of Georgia's main exports to the world with those destined to the EU. Georgia's top 20 exports to the world accounted for 70 per cent of total exports in 2016. In contrast, the country's top 20 exports to the EU accounted for 90 per cent of total exports to the region and most of these products enjoyed duty-free access since September 2014 following the provisional implementation of the DCFTA.			

Trade in Georgia. Needs Assessment, 2018	<p>In terms of sectoral performance, business enterprises engaged in processing copper ores and hazelnuts appear to have been particularly successful in establishing niches in global and regional markets. This also applies to processors of wine, ferro-silico manganese, pharmaceutical products, albeit with varying degrees of success.</p> <p>Georgia's exports to the EU have been becoming increasingly similar to exports to the rest of the world. This suggests that Georgia's existing exports to the EU are becoming more and more based on comparative advantage and not on preferential tariff rates. The challenge is to further diversify these exports. This requires intensifying efforts to develop the economy's productive capacity at the enterprise level, as a pre-requisite for enabling enterprises to comply with the EU quality and safety regulatory requirements.</p> <p>Georgia can be regarded as a top reformer that has effectively consolidated a market based, private sector led economy with a business-friendly environment, and should no longer be considered as an economy in transition. Georgia also stands as an exemplary case study on the implementation of international best practices and the EU Acquis requirements. In each area, the Government sought to adapt international best practices to the national context and, thereafter, took some of these to a new level. A case in point is Georgia's approach to implementing the Agreement on Trade Facilitation provision on National Trade Facilitation Councils. Georgia's experience shows that consultations with the private sector should be continuous, far reaching and sector specific. The country's experience invites a comprehensive approach, which involves a network of formal and informal consultative mechanisms tuned to the specific realities of each sector to ensure proper understanding of the different factors at play. Indeed, a key message running through interviews with public stakeholders is that trade facilitation should be discussed in their own right and in terms of their interplay with behind the border legislative and administrative reforms with an eye to supporting structural transformation and export competitiveness. Another key message relates to the imperative of promoting standards as a means for improving competitiveness. Georgia's experience lends further evidence to the necessity of complementing trade reforms with targeted efforts to improve the enterprises' productive capacity. It shows that such efforts could attain successful results if they are sector focused and based on a development driven approach, where trade reforms are pursued as a means for achieving structural transformation. Table 7.1 provides a number of recommendations for complementing the Government's trade reforms and development efforts.</p>
OECD, SME Policy Index: Eastern Partner Countries 2020 : Assessing the Implementation of the Small Business Act for Europe, Chapter 10. Georgia: Small Business Act country profile, 2020	<p>Georgia's goods export potential is limited by its low-value and undiversified export base. Outside the agriculture sector, used cars, re-exports and base metals account for a large share of foreign sales. The small size of the manufacturing sector limits opportunities to broaden its range of exports.</p>
Written assessment provided by the EU Delegation	<ul style="list-style-type: none"> • In autumn 2020, the EU Delegation to Georgia (EU DEL) has initiated discussions ("export talks") with about 25 stakeholders of the private and public sector to help identify potential export services/products and opportunities for cooperation. Our initiative could help the government develop an expected export strategy/roadmap as agreed earlier with the Commission. • In 2019, the GoG identified sectors with high potential and interest to enter the EU market (Aquaculture products; Pet feed; Cheese, including Georgian GI "Suiguni"; Honey; Dried fruit; Fresh or chilled vegetables and fruits (including berries); Tea; Laurel; Wine; Bio-products; toys; Apparel products that have a higher labour input, such as jackets, coats; Furniture and wood products). • In spring 2021, the GoG confirmed the 2019 list and added snails and selected information and communication technology (ICT) and architecture services. • The EU DEL Trade Team identified obstacles and challenges. • The Georgian market is not big enough for most of the products listed above and in fact the development of some of these sectors in Georgia is rather limited (except for certain nuts, fruits, vegetable, tea, aquaculture products, toys, apparel, pet food, ITC services) • Georgian products are not sufficiently known abroad due to lack of awareness, limited volume, capacity and expertise of production, e-commerce development, market intelligence, knowledge and skills in the Georgian SME community, confidence, branding, willingness to enter into cooperation in classical cooperatives (fear of losing authority and/or ownership).

	<ul style="list-style-type: none"> • Transport and logistics bottlenecks (e. g. cooling space) and practical and legal obstacles exist (technical standards and requirement (Technical Barriers to Trade (TBT), Sanitary and Phytosanitary measures (SPS), lack of laboratory capacity (private vs public; domestic vs foreign; payment of tests) and lack in vocational training. The EU DEL supports with several projects (a selection listed in the points below) particularly the Georgian SME landscape to overcome these bottlenecks. • There is no “one size fits all solution” to boost exports: the GoG and the EU need to prioritize clearly which new projects to fund next, bearing in mind the existing EU support: Several projects in place in Georgia under the EU4Business initiative, targeting at economic development with a main focus on SME (“Ready to Trade”; cluster initiatives in sectors such as furniture, IT, film, apparel, packaging, construction material) with a total budget of EUR 328.83 million (total value of contracts). • An established distribution channel (esp. a reliable European partner, a base, a warehouse from where to tackle the EU market further) for the main niche supply-chains is essential to be successful on the EU market. • Potential for exporting Georgian agrofood products to the EU is there, including fresh berries, fresh peaches, tea, hazelnuts, aquaculture products. a niche production based on a green, sustainable, eco-friendly, fair-trade/organic approach. Farmers need to see the advantage to work in a consortium/SME-cluster and get rid of their preoccupation of working jointly together for the better benefit. It may be necessary to rename or reinvent the cooperatives format.
	<ul style="list-style-type: none"> •

I-7.1.4 Increased competitiveness and diversification of SMEs and enterprises, including those export oriented.

The Georgian economy is dominated by SMEs, who hold the key to the employment creation that is one of the country’s top needs. The EU has provided substantial support to the development of SMEs, for example, through the EBRD’s Small Business Support programme, which has been active since 2003. The main emphasis has been on assisting SMEs in the process of adapting to the demands of a market economy and achieving a tangible impact on their performance. Two agencies, for entrepreneurship development and for innovation and technology, were established to support entrepreneurship, consultancy services and the adaptation of SMEs to EU norms. The SME Policy Index 2020 concluded that Georgia considerably improved the operational environment for SMEs. The 2018 UNECE report – which elaborates on enterprises in general, but almost all enterprises are SMEs - noted that Georgia had achieved a “significant degree of export diversification, benefiting from the favourable market access conditions, which entered a new phase with the implementation of the DCFTA. These achievements were made possible by the Government’s consistent efforts to improve trade facilitation conditions in the country and support enterprise development.” However, the report also stressed – also in line with findings under I7.1.3) that a narrow range of products dominated the country’s exports and set natural limits to further diversification. Competitiveness was limited by difficulties faced by enterprises to achieve compliance with the regulatory requirements in export destinations, particularly the EU. This assessment was confirmed by interviewees who, however, also noted that non-European markets, mainly the Middle East and China, were increasingly – and often successfully – targeted by SMEs. While there is a lack of both data on the level of competitiveness of SMEs and a systematic analysis of diversification efforts, interlocutors noted that the most visible trends in diversification had been in the tourism sector which is also considered to be one of the most competitive ones – at least prior to the Covid-19 pandemic. Some positive developments in the service sector were also reported with regards to IT companies which had successfully entered into business ventures with Siemens and other firms. At the small number of IT success stories is not yet visible in the overall trend.

<i>Evidence</i>	
Overall assessment of quality and credibility of evidence	The sources partly contradict each other and do not provide a clear picture of the competitiveness and diversification of SMEs, particularly with regards to export diversification. The strength of evidence is therefore assessed as Medium .

Sources of information	Evidence
Georgia/ Support to DCFTA-SMEs Assessment, 2014	<p>Background: Numbers of donors are involved in trade/private sector development, including The World Bank, UNDP, USAID, EBRD, GIZ and bilateral donors. GIZ in particular has been a key actor. GIZ has a strong record of working in Georgia and the South Caucasus on the issues of private sector development, contributing to economic policy reforms and targeted on-the-field projects. GIZ has gained experience of the local context and legislative framework and is very well placed to provide comprehensive assistance to relevant Georgian authorities and SMEs on entrepreneurship development based on DCFTA requirements.</p> <ul style="list-style-type: none"> EBRD has a longstanding implementation experience on SMEs support. EBRD – through the Small Business Support programme - has operated in Georgia since 2003, implementing over 770 projects with more than 720 SMEs, helping them adapting to the demands of a market economy and achieving a tangible impact on the performance of the enterprises assisted. Since 2011 these activities have been funded by the EU via its regional programmes in the Eastern Partnership countries. EBRD is a reliable implementing partner with a solid knowledge of private sector/SMEs development, being one of the pillars of EBRD country's strategy for Georgia. <p>FAO is has been successfully engaged in cost-shared livelihood activities for IDPs since 2010, providing more than 3000 IDP applicants with livelihood opportunities. Donor coordination is carried out on the general IDP policy level. FAO's activities have always been embraced by both Donors and the Ministry responsible for IDPs (MRA). FAO's parallel engagement in the ENPARD program ensures synergies with other developments in the agricultural sector.</p>
Joint Staff Working Document, Association Implementation Report on Georgia, 2021	<p>As regards industrial and enterprise policy, the Government continued to implement the Small and Medium-sized Enterprises (SME) Strategy. The SME Policy Index 2020 concludes that Georgia has made further progress and considerably improved the operational environment for SMEs. The report especially welcomes progress in entrepreneurial learning and women's entrepreneurship, the continued simplification of business registration, and the increase in e-government services. To tackle the economic challenges caused by COVID-19, the SME support agency Enterprise Georgia adapted its programmes. The agency extended the scope of its programmes and diversified its priority sectors, e.g. by adding a focus on hospitality and tourism industries development. The micro and small business support programme increased to GEL 40 million.</p>
UNECE, Regulatory and Procedural Barriers to Trade in Georgia. Needs Assessment, 2018	<p>Georgia has achieved a significant degree of export diversification, benefiting from the favourable market access conditions, which entered a new phase with the implementation of the DCFTA. These achievements were made possible by the Government's consistent efforts to improve trade facilitation conditions in the country and support enterprise development.</p> <p>The enterprises seem to have capitalized on the growth opportunities generated by this favourable environment, exhibiting consistent improvements in their competitive positions in both regional and global markets. Nonetheless, there remains room for improvement, evidenced by the narrow range of products that dominate the country's exports. If anything, the concerns raised by traders and Government officials suggest that further increases in exports, particularly to Europe (Georgia's main trading partner), are effectively a function of the business enterprises' ability to comply with the EU regulatory and safety requirements.</p> <p>Georgia's exports exhibit a significant degree of diversification, with the export concentration index carrying a value of 0.2. The value of the export concentration index ranges between zero and one. A closer to one index value indicates a concentration in a limited number of sectors, with one indicating that only a single product is exported. However, Georgia's exports to the world are more diversified than its exports to the EU and the latter have been showing a tendency towards increased export concentration since 2015.</p> <p>At the same time, most of the business enterprises face difficulties in achieving compliance with the regulatory requirements in target countries, particularly the EU. Aware of these challenges, the Government has sequenced the implementation of commitments under the DCFTA over several years, and is actively seeking to help the enterprises develop their productive capacity.</p> <p>The interplay between the identified barriers and export diversification finds its best expression in the transaction costs assumed by traders, as measured by the additional expenses incurred when obtaining documentary requirements and passing customs. These expenses include customs fees, trade taxes, transport fees as well as those paid for obtaining the necessary trade documents. To these should be added the wait time for obtaining the trade documents and completing customs clearance formalities.</p>
JOINT STAFF WORKING DOCUMENT Implementation	<p>In June 2015 Georgia adopted a socioeconomic development strategy for the period until 2020, which reaffirmed the need for a good business climate and placed strong emphasis on enhancing the private sector's competitiveness. Significant progress was also made in developing the country's</p>

of the European Neighbourhood Policy in Georgia Progress in 2014 and recommendations for actions, 2015	strategy and related action plan on small and medium-sized enterprises (SMEs), which are expected to be adopted by the end of 2015. Both strategies are required for the EU to provide funding of EUR 51 million in support of the DCFTA implementation process. Two agencies, for entrepreneurship development and for innovation and technology, were created to support entrepreneurship, consultancy services and the adaptation of SMEs to EU norms. The government also launched the ‘Produce in Georgia Programme’ to support local agri-processing and industrial production through concessional loans, infrastructure support and the provision of consulting services.
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JC7.2 Improved business environment for male- and female-owned SMEs

Improved business environment for male- and female-owned SMEs

I-7.2.1 Needs-based and gender-sensitive advisory and capacity building services to SMEs and enterprises provided, e.g. in entrepreneurship, opportunity-recognition, innovation, value-chain analysis, e-commerce, ITC, and access to finance.

According to the OECD SME Policy Index 2020, support for women’s entrepreneurship has been strengthened through two GoG strategies; the SME Development Strategy (2016-2020) and the Rural Development Strategy (2017-2020). A sub-committee of the Inter-Agency Commission for Gender Equality within the Private Sector Development Council was established with the particular purpose of closing the gender gap in entrepreneurship. However, the report also noted that substantial discrepancies between male- and female-owned SMEs still existed. Persistent gender stereotyping and the urban-rural divide --almost 60% of women-owned businesses are located in Tbilisi and Imereti regions, out of the country’s nine, mostly rural, regions – continue to hamper progress in the development of women’s entrepreneurship. Several policy initiatives and actions plans exist to support and strengthen women’s entrepreneurship in general and female-owned SMEs in particular. OECD data suggest that the approach has led to progress. On the SME Policy Index 2020 scored 4.24 (out of 5) for the dimension “Entrepreneurial learning / Women’s entrepreneurship”, a substantial increase of 1.54 points compared to 2016 (see I 7.2.2). Furthermore, in 2017 Geostat began publishing gender-disaggregated business statistics, including data on business ownership, wages and creation of new enterprises.

Beyond the specific issue of gender, there is no shortage of advisory and capacity-building services regarding entrepreneurship, opportunity-recognition, innovation, value-chain analysis, e-commerce, ITC, and access to finance. Such services are provided by, for example, Enterprise Georgia (the main institution responsible for export promotion and export support services in Georgia which facilitates SMEs’ participation in trade fairs and trade missions). In cooperation with GITA and the Georgian Chamber of Commerce and Industry, Enterprise Georgia also organises events and fairs to help Georgian enterprises establish international trade relations. The EU Ready to Trade project implemented by the ITC assists SMEs operating in the agribusiness sector to increase their international competitiveness. Perhaps most importantly with regard to Georgia-EU trade relations, the EU supported the Chamber of Commerce and Industry to open six DCFTA centres. These centres provide information on EU regulations and standards, as well as training and information on good practices. Additional training services are provided by the Georgian Agency for Standards and Metrology. While this kind of needs-based advisory services and support is important, it is not known at this stage to what extent SMEs have taken advantage of, and benefitted from, existing services for the development of their businesses. In more general terms, the OECD Monitoring Report of the SME Development Strategy concluded that Georgia had made notable progress in developing skills and entrepreneurial culture, especially regarding skills needs anticipation, the involvement of employers in setting education and training standards, and the introduction of mandatory entrepreneurship modules in vocational education and training curricula.

As least equally crucial as the existence of comprehensive advisory services are the very good framework conditions for doing business in Georgia. The country featured 7th worldwide on the World Bank’s Doing Business ranking 2020. Georgia was also on the list of the 10 top improvers for three consecutive Doing Business cycles. For starting a business Georgia (and New Zealand) have the lowest number of procedures required in the world.

Access to finance remains one of the most decisive bottlenecks for SMEs. High collateral requirements (up to 200% of loan value) and interest rates (at around 19% in local currency and 10% in foreign currency) still make it difficult for Georgian SMEs to borrow from the banks. However, particularly during the latter half of the

evaluation period, legislative reforms and a number of governmental projects, managed by Enterprise Georgia, have laid the groundwork for improved access to finance through, for example, the co-financing of loans and collateral guarantees of up to 50% of the loan amount. A number of EU funded Access to Finance programmes are also available under the EU4Business umbrella brand.

<i>Evidence</i>	
Overall assessment of quality and credibility of evidence	Evidence consists largely of international organisation indices and studies, and is assessed as Medium .
<i>Sources of information</i>	<i>Evidence</i>
OECD SME Policy Index: Eastern Partner Countries 2020 : Assessing the Implementation of the Small Business Act for Europe, Chapter 10. Georgia: Small Business Act country profile, 2020	<p>Since the 2016 SBA assessment, policy support for women's entrepreneurship has been reinforced through the SME Development Strategy (2016-2020) and a rural development strategy (2017-2020). While linkages across different government strategies addressing women's socio-economic standing are provided by an Inter-Agency Commission for Gender Equality, a sub-committee on women's entrepreneurship within the Private Sector Development Council has the objective of closing the gender gap in entrepreneurship.</p> <p>Baseline research commissioned by the Private Sector Development Council points to a predominance of women-owned businesses in retail, social services, food processing and hospitality sectors, with 40% of state-support programmes. The lion's share of training for women's start-up and growth businesses is provided by Enterprise Georgia and GITA. However, with women accounting for just 31% of start-ups, more support is needed, especially in outlying regions. Almost 60% of women-owned businesses are located in two (Tbilisi and Imereti) of the country's nine, mostly rural regions.</p> <p>Gender stereotyping is considered a critical factor in women's entrepreneurship development. A concerted effort by government and civic interest groups to raise awareness and understanding of the potential of women's entrepreneurship for wider socio-economic development is necessary, including promotion of role models and success stories through mass media. A step in this direction is an initiative by Enterprise Georgia to ensure preferential treatment of women applicants under its SME support programme, Produce in Georgia.</p> <p>While baseline data on women's entrepreneurship for this assessment was available primarily through a one-off research project, the Private Sector Development Council should consider developing a state-level intelligence framework to support wider policy planning and analysis.</p> <p>Given the urban-rural divide on women's entrepreneurship, an action plan for women's entrepreneurship that was proposed in a mid-term evaluation of the SME strategy should be followed up. The action plan should give equal weighting to necessity entrepreneurship and opportunity entrepreneurship and ensure greater access to training and advisory services. Engagement and co-operation with locally-based NGOs will help widen outreach. Benchmarks, against which policy performance can be assessed, will be important. This will require closer collaboration between policy areas already addressing women's economic empowerment, including SME development, employment promotion and rural and agricultural development.</p>
World Bank. Doing Business 2020 ¹⁰⁰	<p>Georgia featured on the list of 10 top improvers for three consecutive Doing Business cycles. For starting a business Georgia and New Zealand have the lowest number of procedures required. Georgia improved its building quality control by increasing public access to information.</p> <p>Table: Ease of Doing Business Ranking, 2020</p>

¹⁰⁰ <https://documents1.worldbank.org/curated/en/688761571934946384/pdf/Doing-Business-2020-Comparing-Business-Regulation-in-190-Economies.pdf>

	Rank	Economy	DB score
	1	New Zealand	86.8
	2	Singapore	86.2
	3	Hong Kong SAR, China	85.3
	4	Denmark	85.3
	5	Korea, Rep.	84.0
	6	United States	84.0
	7	Georgia	83.7
	8	United Kingdom	83.5
	9	Norway	82.6
	10	Sweden	82.0
	11	Lithuania	81.6
	12	Malaysia	81.5
	13	Mauritius	81.5
	14	Australia	81.2
	15	Taiwan, China	80.9
	16	United Arab Emirates	80.9
	17	North Macedonia	80.7
	18	Estonia	80.6
	19	Latvia	80.3
	20	Finland	80.2

<p>OECD SME Policy Index: Eastern Partner Countries 2020 : Assessing the Implementation of the Small Business Act for Europe, Chapter 10. Georgia: Small Business Act</p>	<p>Enhancing SME internationalisation is one the five strategic objectives of Georgia's SME Development Strategy 2016-2020. Enterprise Georgia is the main institution responsible for export promotion and export support services in Georgia. The agency facilitates SMEs' participation in trade fairs and trade missions and, in co-operation with GITA and the Georgian Chamber of Commerce and Industry, organises events and fairs to help Georgian enterprises establish international trade relations. The "Trade with Georgia" website (www.tradewithgeorgia.com) provides information on export-oriented Georgian companies to facilitate connections with foreign buyers. The EU Ready to Trade project implemented by the ITC assists SMEs operating in the agribusiness sector in increasing their international competitiveness.</p>
<p>OECD, Monitoring Georgia's SME Development Strategy 2016-2020¹⁰¹</p>	<p>Enterprise Georgia has developed an 'export readiness' tool that allows SMEs to assess their capacity to internationalise; it also provides recommendations for training and advisory services and export-management courses. While Enterprise Georgia provides a range of training and advisory support to start-ups and growing businesses (e.g. e-commerce, digital marketing, cybersecurity), GITA's Start-up Georgia Programme is the primary resource for supporting innovative start-ups. Its services comprise a mix of training, mentoring and advisory services backed up by a micro-grants scheme. GITA also provides training to develop the digital capacity of SMEs, including training for e-commerce. Further, the Georgia National Innovation Ecosystem Project (GENIE) has defined a number of good-practice criteria that it uses when procuring training providers, while the Ministry of Education, Science, Culture and Sport provides adult training courses specifically related to labour demand.</p> <p>Regarding the knowledge and skills businesses need to trade with the EU Single Market, six DCFTA centres have been established by the Chamber of Commerce and Industry with EU support. These centres provide not only information on EU regulations and standards, but also training and information on good practices. Additional training services are provided by the Georgian Agency for Standards and Metrology. Further, although still relatively new, online training offered by Enterprise Georgia to support SMEs with the fundamentals of international trade demonstrates the potential of available technologies to improve SME access to training.</p>
<p>OECD, Monitoring Georgia's SME Development Strategy 2016-2020¹⁰¹</p>	<p>Georgia has made important progress in developing skills and entrepreneurial culture, especially regarding skills needs anticipation, the involvement of employers in setting education and training standards, and the introduction of mandatory entrepreneurship modules in vocational education and training curricula. The adoption of a strategic framework for women's entrepreneurship could help Georgia close the gender gap in entrepreneurship; but emphasis should be put on the implementation, monitoring and evaluation of the other various activities underway to effectively assess their impact.</p>

¹⁰¹ <http://www.oecd.org/eurasia/competitiveness-programme/eastern-partners/Monitoring-Georgia's-SME-Development-Strategy-2016-2020.pdf>

	<p>Geostat has recently begun publishing gender-disaggregated business statistics, including data on business ownership, wages and creation of new enterprises. In 2016, for instance, women represented 31% of new business owners, compared to 55% of men.⁸ This picture nearly mirrors the gender gap in the employment rate, which stood at 14 percentage points – women’s employment rate represented 50.8% compared to 63.4% of men in the same year.</p>
<p>EU Delegation to Georgia (2020) NOTE TO THE ATTENTION OF MR LAWRENCE MEREDITH DIRECTOR NEAR C Subject: Budget Support Eligibility Assessment – disbursement of the 2020 variable tranche – Economic and Business Development in Georgia (ENI/2017/040-318)</p>	<p>The development of a SME successor strategy 2021-2025 has started in 2019 but is delayed due to the Covid-19 pandemic The Government of Georgia continued to work towards improvement of SME access to finance. Legislative changes allow SMEs now to obtain grants, awarded for example by the Agricultural and Rural Development Agency, Enterprise Georgia or Georgia’s Innovation and Technology Agency (GITA). While credit conditions are generally improving, high collateral requirements (up to 200% of loan value) and interest rates (at around 19% in local currency and 10% in foreign currency) still make it difficult for Georgian SMEs to borrow from the banks. A number of governmental projects, managed by Enterprise Georgia, are targeted at improving Access to Finance of SME, e.g. “Produce in Georgia”. Produce in Georgia offers partial collateral guarantees of up to 50% of the loan amount (up to GEL 2 500 000 or EUR 850 000). Eligible loans are offered by commercial banks in Georgian lari. A number of EU funded Access to Finance programmes are also available under the EU4Business umbrella brand. In 2019, Georgia launched a Credit Guarantee Scheme (CGS) to improve SME access to finance. The CGS intends to address specific market failures, which prevent credits from being issued to commercially viable businesses due to insufficient collateral. Under the Scheme, guarantees can be issued only on loans received in national currency. Relevant agreements have been concluded between the MoESD and 12 commercial banks. This mechanism is designed to support risk diversification, credit supply growth, and reduction of interest rates, with a subsequent positive impact on economic growth⁹. The World Bank, within the framework of the EU funded Financial Inclusion and Accountability Project and the EIB as well as the Asian Development Bank provided technical advice to the setting up of the scheme. Training and capacity development for SMEs and micro-business were supported by the Enterprise Georgia and NBG. Under the Micro and Small Entrepreneurship Support Programme, 2,403 winning beneficiaries were trained in finance, marketing, beekeeping, mechanisation, and accounting.</p>

I-7.2.2 Internal procedures / regulations applying to SMEs, (registration, export licenses, inspection, customs clearance, etc.) including those facilitating regional and European integration, strengthened.

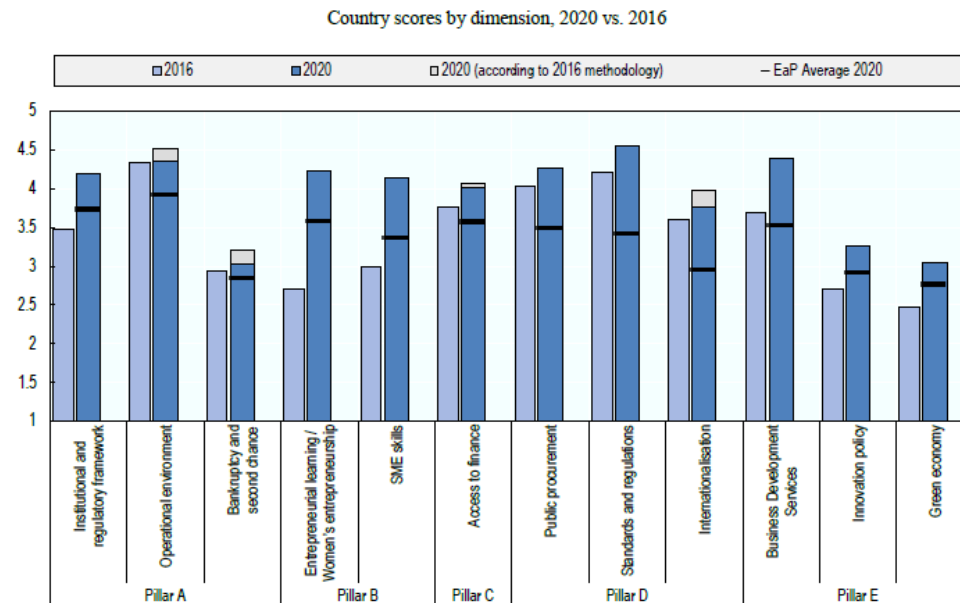
2016 was the watershed when the SME Development Strategy 2016-2020 provided a new and substantially strengthened institutional and regulatory framework for SMEs. The strategy defined 33 priority actions in support of SMEs, such as improving legislation, institutional and regulatory frameworks and the operational environment, as well as widening access to finance, developing entrepreneurial skills, broadening internationalisation and supporting innovation activities. Furthermore, in 2017, The National Statistics Office of Georgia (Geostat) revised its SME definition to comply with EU standards and increase international comparability. Under the new definitions and methodology, 99.7% of all firms in Georgia in 2017 were SMEs. In 2018, SMEs, accounted for 64% of business sector employment and 61% of value added. As an important result of the new definition the institutional framework and operational environment for SMEs had improved.

There is strong and well-documented evidence that the policy efforts have paid off. According to OECD data (SME Policy Index, Eastern Partner Countries, 2020) between 2016 and 2020 Georgia improved on all indicators: Institutional and regulatory framework, Operational environment, Bankruptcy and second chance, Entrepreneurial learning / Women’s entrepreneurship, SME skills, Access to finance, Public procurement, Standards and regulations, Internationalisation, Business development services, Innovation policy, and Green economy. The OECD uses scores between 1 and 5 to assess the level of policy reform for each dimension, with 1 being the weakest level and 5 being the strongest. In 2020 Georgia achieved the highest scores in the dimensions Standards and regulations (4.56), Business development services (4.39), and Operational Environment (4.36). The biggest improvements were recorded for Entrepreneurial learning / Women’s entrepreneurship (+ 1.54), SME skills (+1.14), and Business Development Services (+0.7). In all dimensions Georgia scored above the average for Eastern Partnership Countries.

Other important developments which have strengthened the business environment for SMEs are gradually improving access to finance internationalisation as well as innovation and R&D activities. Access to finance has improved due to changes in the legal framework regulating the provision of grants to commercial entities, an increase in the financial support offered by state agencies and the implementation of a multitude of financial education initiatives (see I 7.2.1.). However, the specific needs of SMEs are still not sufficiently addressed and the country lacks a full-fledged credit guarantee scheme and alternative financing tools that could reduce the burden of the existing heavy collateral requirements on SMEs. The internationalisation of SMEs is supported through a variety of export promotion activities and DCFTA information centres. However, GoG does not yet provide targeted financial support, such as export loans or export credit insurance instruments, to overcome financing barriers and risks encountered when engaging in international trade. SMEs' innovation and R&D activities have been substantially strengthened by, for example, authorising public universities and research centres to own spin-off companies and increasing financial support for innovation.

<i>Evidence</i>	
Overall assessment of quality and credibility of evidence	As there is an abundance of credible quantitative data, evidence for this indicator is assessed as Strong , although complementary qualitative data and assessments, perceptions and views of SMEs are needed.
<i>Sources of information</i>	<i>Evidence</i>
OECD SME Policy Index: Eastern Partner Countries 2020 : Assessing the Implementation of the Small Business Act for Europe, Chapter 10. Georgia: Small Business Act country profile, 2020	The institutional and regulatory framework for SME policy in Georgia has seen several changes since 2016. In particular, the SME Development Strategy 2016-2020 has been adopted, setting 33 priority actions to be taken in important areas for SME development such as improving legislation, institutional and regulatory frameworks and the operational environment, as well as widening access to finance, developing entrepreneurial skills, broadening internationalisation and supporting innovation activities. Numerous stakeholders are involved in the implementation of SME policy reforms, with the most prominent roles being played by the entrepreneurship development agency Enterprise Georgia and Georgia's Innovation and Technology Agency (GITA), both of which fall under the authority of the Ministry of Economy and Sustainable Development. The National Statistics Office of Georgia (Geostat) revised its SME definition in 2017 to comply with EU standards and increase international comparability. The new Georgian definition provides for lower thresholds for both the number of employees and the total turnover of the company.

Figure 10.1. SME Policy Index scores for Georgia



StatLink  <http://dx.doi.org/10.1787/888934087534>

Table 10.1. SME Policy Index scores for Georgia, 2020 vs. 2016

Pillar	Dimension	GEO 2020	GEO 2016	EaP average 2020	GEO 2020 (2016 methodology)
A	Institutional and regulatory framework	4.20	3.48	3.74	4.20
	Operational environment	4.36	4.33	3.92	4.52
	Bankruptcy and second chance	3.03	2.94	2.85	3.20
B	Entrepreneurial learning / Women's entrepreneurship	4.24	2.70	3.58	n.a.
	SME skills	4.14	3.00	3.36	n.a.
C	Access to finance	4.02	3.76	3.57	4.07
	Public procurement	4.26	4.04	3.49	4.26
D	Standards and regulations	4.56	4.22	3.43	4.09
	Internationalisation	3.76	3.60	2.96	3.99
	Business development services	4.39	3.69	3.53	4.39
E	Innovation policy	3.27	2.70	2.92	3.25
	Green economy	3.05	2.48	2.77	3.05

<https://www.oecd-ilibrary.org/sites/fcc42977-en/index.html?itemId=/content/component/fcc42977-en>

<p>SME Policy Index: Eastern Partner Countries 2020 : Assessing the Implementation of the Small Business Act for Europe, Chapter 10. Georgia: Small Business Act country profile, 2020</p>	<p>Over the years, Georgia has managed to build up a high-standard regulatory and business environment that has received significant international recognition. It has done this through a systematic and continuous reform process and the commitment of a number of strong and independent institutions. The country currently has one of the most advanced platforms in the EaP region for e-government services.</p> <p>As early as 2016, Georgia was already demonstrating an advanced e-government service platform. The implementation of the e-Georgia strategy (2014-2018) and related action plans, under the coordination of the Data Exchange Agency, has contributed to further widening the range of e-government services (up to 500 e-services including business registration, reorganisation and bankruptcy registration), all accessible through a single portal. In parallel with the e-government services, a system of Public Halls, distributed across the country, facilitates the access of enterprises and private citizens to government services. The government has also been active on the Open Data front. A unified open-data portal has been established and a wide range of information on government activities is regularly posted. There are plans to update the portal, making it more user-friendly and aligning it with EU standards.</p> <p>As a result of a very proactive regulatory reform policy, the number of business licenses has decreased by 85% and e-auction has been introduced for the allocation of the remaining licenses, substantially reducing room for corruption.</p> <p>Georgia has developed a state-of-the-art company registration system and the country now ranks second in the <i>starting a business</i> indicator of the 2020 <i>Doing Business</i> report, behind New Zealand. Registration of a limited liability company requires just one single procedure, as a single window system is in place performing all the necessary notifications on behalf of the newly established company. The entire starting a business procedure is completed within one day at the cost of 2.1% of the country's per capita income.</p> <p>Moreover, Georgia has implemented a light taxation regime for small enterprises. Microenterprises with an annual income below GEL 30 000 (~ EUR 9 052) are exempted from profit tax, while small businesses with an annual turnover not exceeding GEL 500 000 (~ EUR 150 870) are subject to a tax rate of 1% of taxable income). The "small business" status is withdrawn if the enterprise reports a turnover exceeding GEL 500 000 over two calendar years. The value-added tax (VAT) threshold has been fixed at GEL 100 000 (~ EUR 30 174), and a new system for the automatic return of VAT credits was launched in February 2019. All taxes are payable online. According to the 2020 <i>Doing Business</i> report, Georgia performs relatively well in terms of tax payments per year (5) and has a high post-filing index (85.9/100), while the time required to complete tax compliance procedures is 216 hours per year, in line with the regional EaP average.</p> <p>Another good practice example is the country's single point of contact for exporters to the EU: the Trade Development and International Economic Relations Department at the Ministry of Economy and Sustainable Development. It is also notable that Georgia could, in contrast to most EaP countries, report positively about several specific financial support measures for SMEs and the monitoring of these activities.</p>
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Table 10.2. Implementation progress on SME Policy Index 2016 priority reforms – Georgia

Priority reforms outlined in SME Policy Index 2016	Key reforms implemented so far
Pillar A – Responsive government	
Create a structured framework for inter-agency co-ordination and public-private consultation (PPC) on SME policy via the SME Development Strategy for 2016-2020	SME Development Strategy 2020 and respective action plans adopted Private Sector Development Advisory Council created
Introduce a single SME definition aligned with EU standards	Introduced an SME definition for statistical purposes aligned with EU standards
Address existing constraints in legislation on grants for targeted SME support	Legislation amended to allow grants to be issued to SMEs
Pillar B – Entrepreneurial human capital	
Develop a national entrepreneurship competence framework set against wider qualifications development	Entrepreneurial learning action plan agreed and entrepreneurship key competence developed in VET
Establish a Women's Entrepreneurship Commission	A Sub-Council for Women's Entrepreneurship Promotion established
Reinforce Enterprise Georgia's capacity for intelligence and analysis of SME skills	Sector-specific skills intelligence framework in place
Pillar C – Access to finance	
Introduce legislation to allow secured creditors to seize collateral after re-organisation	Depth of credit information has been strengthened, including strengthened creditors rights, increased access to the cadastre and registry for movable assets, and expanded coverage of the credit information bureau
Improve online access for the registry of movable assets, particularly for smaller users	Adoption of Basel III requirements, helping to strengthen banking sector supervision Adoption of a National Strategy for Financial Literacy Introduction of mandatory compliance with IFRS for SMEs
Pillar D – Access to markets	
Strengthen targeted support for exporting SMEs through Enterprise Georgia and establish an export credit facility to develop trade finance	Established four clusters in co-operation with GIZ funded by EU Pilot project on linking domestic SMEs with MNEs in the hospitality sector by Enterprise Georgia
Upgrade Georgia's quality of infrastructure in line with the DCFTA Action Plan	Established various DCFTA information centres throughout the country, offering training courses for EU standards adoption Dedicated guidelines and training sessions for SMEs on public-procurement-related legal framework, as well as on new services of eProcurement system
Promote greater SME participation in public procurement	
Pillar E – Innovation and Business Support	
Implement the National Innovation Strategy 2020	Innovation strategy 2025 awaiting government approval
Build on existing schemes to promote the use of private business development services (BDS)	BDS provision based on good practice – services outsourced to private providers/ or co-financing scheme

Source: <https://www.oecd-ilibrary.org/sites/fcc42977-en/index.html?itemId=/content/component/fcc42977-en>

OECD, Monitoring Georgia's SME Development Strategy 2016-2020

The **institutional framework and operational environment** for SMEs has substantially improved, with, e.g., the adoption of a new SME definition, the formalisation of platforms for public-private dialogue on business-related policies and laying the groundwork for Regulatory Impact Assessments (RIA). Building on these achievements, the introduction of SME-specific RIA tests could help the government better anticipate the potential impact of draft legislation on SMEs. Moreover, attention should also be drawn to carrying on the various activities aimed at improving business closure and insolvency procedures.

Access to finance for SMEs is now easier, thanks to changes in the legal framework allowing the provision of grants to commercial entities, an increase in the financial support offered by state agencies and the implementation of a multitude of financial education initiatives. However, a more co-ordinated approach to financial education could better address the specific needs of small and medium entrepreneurs, while also facilitating the adoption of international financial reporting standards. In addition, the creation of a full-fledged credit guarantee scheme and the development of alternative financing tools could reduce the burden of currently heavy collateral requirements on SMEs.

SME internationalisation is being supported with a variety of export promotion activities, DCFTA information centres set up throughout the country, and a pilot FDI-SME linkages programme. Moving forward, the government could consider to further support cluster development, but also providing

	<p>targeted financial support, such as export loans or export credit insurance instruments, to overcome financing barriers and risks encountered when engaging in international trade.</p> <p>Important steps have also been taken to facilitate SMEs' innovation and R&D activities, by, e.g., allowing public universities and research centres to own spin-off companies and increasing financial support for innovation and expanding the statistical base on companies' use of ICT and innovation activities. The adoption of a more strategic approach towards SME innovation, including dedicated instruments to ensure better and more effective implementation of priority actions, would facilitate Georgia's shift towards a knowledge and innovation-based economy.</p>
SME Policy Index: Eastern Partner Countries 2020 : Assessing the Implementation of the Small Business Act for Europe, Chapter 10. Georgia: Small Business Act	Georgia is doing well in international rankings , having now entered the top ten in the World Bank's <i>Doing Business</i> report. Georgia has risen 17 positions since 2016, ranking 7th out of 190 countries in 2020. It is in the world's top ten countries in terms of starting a business (2nd), registering property (5th) and protecting minority investors (7th). Georgia has considerably improved its position, with a total number of 42 institutional and regulatory reforms carried out since 2008. According to the Heritage Foundation's Index of Economic Freedom 2019, Georgia ranks 16th out of 180 countries worldwide and 8th out of 44 in Europe, with a drop in judicial effectiveness and lower scores on government integrity and monetary freedom exceeding a big gain in financial freedom. The Fraser Institute's <i>Economic Freedom of the World 2018</i> report puts Georgia in the list of top ten countries, ranking 7th out of 162.

I-7.2.3 SME sector diversified and increasingly competitive on internal and external markets.

In 2016 SMEs were predominantly present in low value-added sectors, i.e. trade (including repair of vehicles) (14.7%), manufacturing (7.2%) and construction (10.4%). Geographically, almost half of all SMEs are located in the capital, while the rest are distributed mainly in the three larger regions of Georgia: Imereti (14%), Adjara (8.6%) and Samegrelo-Zemo Svaneti (8%). Interlocutors identified a lack of competitive products, inability to produce in scale, and logistics (including high logistics costs) as the main factors negatively impacting on the competitiveness of SMEs. Enterprise Georgia has supported SMEs with small grants (EUR 10K each) to improve their branding and packaging, a measure that has reported helped these companies to improve their export position. Specific data, however, is not available. Interviewees also stressed that it made more sense for SMEs to explore opportunities in non-European markets, particularly China (which recently overtook China as Georgia's largest trade partner) and the Middle East, which are seen as offering easier access for Georgian products than the EU market. For external markets see also I 7.1.4.

<i>Evidence</i>	
Overall assessment of quality and credibility of evidence	Evidence for this indicator is assessed as Medium .
<i>Sources of information</i>	<i>Evidence</i>
OECD, Monitoring Georgia's SME Development Strategy 2016-2020	<p>Under the recently adopted new definitions and methodology, 99.7% of all firms in Georgia in 2017 were SMEs, accounting for 62% of total employment and 56% of total business sector turnover; in 2016, SMEs generated 59% of gross value added. SMEs' contribution to the economy is increasing in absolute terms, thanks to a steady growth in underlying indicators since 2011. This trend is also accompanied by an increasing quality of jobs created, with remuneration in SMEs on a clear trajectory of catch-up with large firms.</p> <p>As for the sectoral distribution, SMEs tend to be concentrated in low value-added sectors, such as trade (including repair of vehicles), manufacturing and construction, representing respectively 14.7%, 7.2%, and 10.4% of contribution to total value added in 2016. Geographically, almost half of all SMEs are located in the capital, while the rest are distributed mainly in the three larger regions of Georgia: Imereti (14%), Adjara (8.6%) and Samegrelo-Zemo Svaneti (8%).</p>

	Measurable targets were set out in the SME Development Strategy to be achieved by 2020, namely: growth in SME output by average 10% annually; growth in the number of employees in SMEs by 15%; and productivity growth (value added / number of persons employed) by 7%. However, the lack of measurable and relevant key performance indicators beyond the three overall targets set out by the SME Development Strategy impedes the effective monitoring of implementation progress made along each strategic direction.
OECD, SME Policy Index: Eastern Partner Countries 2020 : Assessing the Implementation of the Small Business Act for Europe, Chapter 10. Georgia: Small Business Act	The EU Ready to Trade project launched in 2018 and implemented by the ITC assists SMEs operating in the agribusiness sector in increasing their international competitiveness.
SME Policy Index: Eastern Partner Countries 2020 : Assessing the Implementation of the Small Business Act for Europe, Chapter 10. Georgia: Small Business Act	The latest World Economic Forum (WEF) Global Competitiveness Index (World Economic Forum, 2019) ranks Georgia 74th among 141 countries. While the WEF ratings confirm Georgia's strong performance on a number of dimensions (such as institutions, ICT adoption, business dynamism and product market regulation), it also points to potentially serious constraints with respect to skills of current workforce, internal labour mobility, infrastructure, market competition, and the financial system – including the financing of SMEs, on which it is ranked 83rd.

I-7.2.4 Formal Public/Private platform, including SME-related associations and other relevant stakeholders, to support SME development and the development of policy recommendations, established and functioning.

The most important formal public-private platform is the Private Sector Development Advisory Council (PSDAC). It was created in 2016 and operates under the supervision of the MoESD. The Deputy Minister serves as Chair and a private sector representative as Deputy Chair. The bi-annual PSDAC meetings provide an institutionalised platform for formalised public-private consultations. Meetings have focused mainly on ongoing and planned reforms, while providing the private sector, including SMEs and SME associations, with an opportunity to comment on entrepreneurship barriers and business-related legislation. In 2019, three meetings were organised.

In addition, regular public-private roundtable discussions on the DCFTA implementation process have been organised throughout the country with the support of the EU-funded project "Facility for the Implementation of the Association Agreement". Furthermore, MoESD established a DCFTA Advisory Group as a consultation platform to bring together GoG representatives with employers' and business associations, trade unions and NGOs.

The Ministry of Justice of Georgia, in consultation with the Ministry of Economy and Sustainable Development of Georgia, the Ministry of Finance of Georgia and other stakeholders drafted the Law of Georgia "Rehabilitation and Collective Satisfaction of Creditors", supported by an EU funded project implemented by GIZ which conducted a Regulatory Impact Assessment (RIA) of the Draft Law. Several rounds of Public-Private Discussions were held with participation of business associations, insolvency experts, government entities, and other interested international or local organisations. The draft law was eventually submitted to the Government of Georgia in mid-August 2020.

<i>Evidence</i>	
Overall assessment of quality and credibility of evidence	Evidence for this indicator is assessed as Medium .
<i>Sources of information</i>	<i>Evidence</i>
OECD, Monitoring Georgia's SME Development Strategy 2016-2020	Regular public-private roundtable discussions dedicated to the DCFTA implementation process are being conducted throughout the country. Carried out with the support of the EU-funded project "Facility for the Implementation of the Association Agreement", the roundtables discuss challenges and opportunities of the DCFTA, with an ultimate aim to improve the competitiveness of SMEs on the EU internal market. To further involve the civil society in the implementation process of the agreement, MoESD established a DCFTA Advisory Group, which is proving to be a successful consultation platform to bring together GoG representatives with employers' and business associations, trade unions and NGOs. In addition, Enterprise Georgia and the MoESD are conducting DCFTA-related advisory services and trainings throughout the country. By end of 2017, more than one thousand SMEs participated in DCFTA-related discussions. Frequent trainings and seminars are also carried out in various governmental institutions, such as the Competition Agency, the Revenue Service and the Georgian National Agency for Standards and Metrology, building capacity of government staff on DCFTA requirements.
OECD, Monitoring Georgia's SME Development Strategy 2016-2020	A Private Sector Development Advisory Council (PSDAC) was established in 2016. It operates under the supervision of the MoESD, with a Deputy Minister serving as Chair and a private sector representative serving as Deputy Chair. The bi-annual PSDAC meetings therefore formalise public-private consultations, raising awareness on ongoing and planned reforms, and providing the private sector, including SMEs and SME associations, with an opportunity to comment on entrepreneurship barriers and business-related legislation.

JC7.3 Improved skills development and matching with labour market needs

Improved skills development and matching with labour market needs.

I-7.3.1 Policy, regulatory and institutional frameworks for VET (e.g., skills development, lifelong learning / re-qualification, certification / qualification standards etc.) strengthened through direct stakeholder engagement.

The central policy document in the VET sector is the Strategy for VET Reform (2013-2020) which has focussed on increasing VET enrolment, developing public-private partnership, work-based learning, quality enhancement, continuous professional development of teachers and improving the link between VET and other levels of education. The VET Strategy is a key element of the Unified Strategy for Education and Science 2017-2021 that covers the whole education system with three global objectives: quality, inclusion and relevance. There is clear evidence that the frameworks for – and provision of – VET have been strengthened and direct stakeholder engagement has played an important role. The 2017 Review of the EU-funded Sector Reform Contract (SRC) concluded that most indicators under the three components - Effective Labour Market Management, Enhanced Quality and Relevance of VET System, and Efficient Transition from Training into Employment – had been fulfilled. However, the implementation of an improved framework for social partnership had not been achieved. The social partnership system collapsed due to a lack of interest from trade unions. Beyond this specific issue the framework for VET has clearly strengthened. Evidence include but is not limited to: The National Qualifications Framework was aligned with the European Qualifications Framework through an Order of the Minister of Education in April 2019. The implementation of the Framework is supported through the EU-funded Twinning with the National Centre for Educational Quality Enhancement (NCEQE). Since 2019, short-term vocational education training programmes have become part of the formal education system. Furthermore, the VET system fully moved to modular learning, which focus not only on the development of professional skills but also on basic skills (literacy, mathematics etc.) and key skills (entrepreneurship, digital competencies

etc.). Since 2019 all VET programmes have been developed with a strong input from employers. Generally, however, in interviews the interest of SMEs to participate in VET was reported to be still low.

At its half-way point in December 2021, the EU-funded TA to Skills Development for Matching Labour Market Needs in Georgia has made decisive contributions to; inter alia, the drafting of the national VET Strategy and related Action Plan; the completed Career Guidance Strategy/Action Plan; approaches to innovative learning practices and online learning; improved VET access for several targeted groups; the development of professional standards for youth workers; an several initiatives reacted to data systems and analysis as well as networking of data sources with the objective of establishing a data warehouse using information from the Ministry of Finance. As the manifold project outputs have yet to result in outcomes (something that cannot be expected at this stage), the project has already been instrumental in integrating skills development and labour market needs, two areas that had previously been approached and treated separately. Interlocutors described government ownership of VET as high (“*There is a very clear desire for the Government to be in line with EU standards*”) but also noted that there was need for better communication between – and harmonisation of – the individual sector policy platforms. The growing number of donor-funded projects in support of VET was identified as a challenge. As one interview partner put it, “*donors are crowding into this sector and we need to make sure that there is a synergy and no competition and overlap. What the EU needs to do is make sure it has a good donor coordination system – this doesn’t exist for the youth sector, for example*”.

Evidence	
Overall assessment of quality and credibility of evidence	Evidence for this indicator is assessed as Strong
<i>Sources of information</i>	<i>Evidence</i>
Review of Sector Reform Contract on Employment and Vocational Education and Training (EVET). 2017	<p>In December 2013 the European Union (EU) signed a Financing Agreement (FA) with the Government of Georgia (GoG) for a Sector Reform Contract (SRC) under the European Union (EU) European Neighbourhood Policy (ENP) EU-Georgia Annual Action Programme 2013 (AAP2013) to support reforms in Employment and Vocational Education and Training (EVET). Additional financing for the EU AAP2013 SRC EVET was provided under the Eastern Partnership Integration and Cooperation Programme (EaPIC) 2012 and 2013. The SRC EVET focussed on reforms under three headings: i) effective labour market management (including a labour market information system to inform and forecast skill requirements, and strengthened capacities of the newly recreated Employment Support Services); ii) improved quality of the VET system (including the matching of skills taught with the needs of the labour market through the regular updating of occupational standards and curricula, and enhancing the quality of VET qualifications through improved teachers and teaching, recognition of alternative pathways and learned skills, use of customised short courses to upgrade workers' skills or support reskilling, etc.); and iii) improving the transition from student to employment, the awareness of the opportunities and benefits to be derived from VET by both potential employees and employers, and the strengthening of the social partnership between the VET system and employers and employees. A precondition for Programme effectiveness was the establishment of an Employment and VET Sector Coordination Council, effectively a Steering Committee for the Programme to ensure full participation by all agencies, public and private, that will impact on the Programme outcome.</p> <p>The "State Strategy for the Formation of the Georgian Labour Market", and its associated Action Plan for 2013-2014 was approved by Government Decree No.199 of August 2nd 2013, and subsequently amended and its coverage extended, together with an Action Plan for 2015-2018, by Government Decree No.732 of December 26th 2014. The "Vocational Education and Training Development Strategy for 2013-2020", with an Action Plan for 2013- 2017 was adopted by MoES towards the end of 2013. Both strategies are available on the respective ministry website. The AAP2013 SRC EVET Specific Conditions are essentially drawn from or reflected in these strategies. The Review noted deficiencies in the quality and coverage of the action plans at various times, including in terms of comprehensiveness and concurrence with the Government's four year medium term expenditure process reflected in the Basic Data and Directions (BDD) document, annually updated as part of the State Budget process, although there were improvements over the AAP2013 SRC EVET period.</p>

	<p>The Review concluded that Government was eligible to receive €6.0mn of the €7.5mn allocated in the FA for the Fourth Instalment. Two Indicators were considered to be unfulfilled: 3.1.1 on the extension of the new career guidance and counselling concept across all public VET institutions, and 3.3.1 on the implementation of an improved framework for social partnership.</p> <p>Component 1: Effective Labour Market Management 1.1. Reliable and sustainable labour market information and forecasting 1.2. Improved Quality of Employment Support Services Component 2: Enhanced Quality and Relevance of VET System 2.1. Enhanced matching of skills provided by the VET system with the needs of the labour market. 2.2. Improved quality of VET qualifications Component 3: Efficient Transition from Training into Employment 3.1. Efficient transition from training to employment. 3.2 . Increased awareness of VET amongst potential students and employers. 3.3. Enhanced social partnerships.</p> <p>A running concern through the EVET and earlier VET programmes has been the effectiveness of the social partnership. The arguments have been rehearsed on numerous occasions that the social partners should be fully integrated into the policy decision process. The previous programme supported the establishment of the NVETC as the forum for this partnership but the experience was one of consistent downplay of the social partner role and frustration from social partners. The balance of power between Government and the social partners in the NVETC was a constant issue, gradually improved over time, but again discredited through the introduction of the quadripartite arrangement from 2015. The failure to properly address issues in social partnership, exemplified also in an ETF report (although Government chose to take a different interpretation of its findings), resulted in the Review's conclusion that the related indicator on social partner systemic participation at all stages of the policy cycle had not been achieved. It is true that employers are involved at several stages of VET provision, but not at the policy level (and hence the rejection of Government's view that increased elements of work-based learning were sufficient for compliance - another example of lack of indicator clarity or common understanding). Additionally, it should be noted that social partner representation on NVETC/EVET Council continues to be restricted, with emphasis on GTUC and GEF without any clear mechanism for other employer and employee organisations involvement (although improved for NVETC in 2015). There is also a confusion between the social partnership for VET and the broader social partnership at Government level.</p>
<p>Mid-term Evaluation of the Complementary Support Component Technical Assistance of the EU EVET Sector Policy Support Programme in Georgia , Final Report 2016</p>	<p>A mid-term evaluation of the technical assistance component of the EU Employment and Vocational Education and Training (EVET) Sector Reform Contract (SRC) was conducted by the European Training Foundation (ETF) in June-September 2016 at the request of the Delegation of the European Union to Georgia. The technical assistance component, the so-called EUVEGE project (Employment and Vocational Education and Training) focuses on capacity building and policy advice to the two concerned sectors and in particular to the respective ministries of Labour, Health, and Social Affairs and Education and Science. It accompanies the EU budget support to Georgia along with two other complementary measures: institutional Twinning with the employment services (the Social Service Agency) and a call for grant schemes. By the time of the evaluation, the EUVEGE project had been running for one year and a half and its budget was Euro 2,997,940.</p> <p>The specific objectives of the EUVEGE focus on strengthening the capacities of the beneficiary institutions for developing, managing and monitoring of sector policies and the national reform agenda as well as for promoting the reform programmes through better communication capacities. The project is relevant to the objectives of the overall EU external assistance to Georgia and the bilateral engagements taken within the EU-Georgia Association Agreement. It is also very relevant in terms of the needs of the vocational education and training (VET) VET and labour market (LM) sectors and supports the national <i>Strategy for the Development of VET (2013-2020)</i> and the <i>Strategy on the Formation of the Labour Market in Georgia (2015-2018)</i> and their respective Action Plans.</p> <p>There is an overall appreciation about the project among the stakeholders. In one year and a half, the project has gained confidence of the beneficiary institutions in both Ministries. The overall feedback on the performance of EUVEGE project regarding VET issues was particularly positive due to the</p>

	<p>availability and flexibility of VET team to serve as a ‘help desk’ to the MoES upon ad hoc requests on various issues. This ‘help desk’ function seems to be less used at the MoLHSA, which might be linked to the inactive Ministry staff in requesting.. Indeed the VET team seems to be involved in all discussions regarding VET policies/activities of the MoES at both staff and high managerial level, while the MoLHSA (particularly the high management level) does not involve the EUVEGE in some important policy discussions. There might be a further need for EUVEGE project to reach more effectively the high-level managers at the LM sector (e.g. Minister, deputy ministers) and be involved in all LM-related policy discussions as in the VET sector.</p> <p>There are still a number of important activities in which EUVEGE is expected to support the beneficiaries. The activities for of financing and funding in VET and financial management capacities of the ministries have not yet started and further support to the development and adoption of the new VET law will be necessary, considering some of the important changes planned in the system by this law. In addition, the discussions on the establishment of a National Skills Agency have implications for the broader VET and employment policy and governance issues, going beyond the limited VET field, considering the limited staff in the existing institutions in both VET and employment side. The feasibility study is only a first step for identifying its costs and benefits, but the EUVEGE may need to work further with both Ministries to facilitate a proper national consultation on the necessity of such a new agency (involving VET and employment sides). If the government takes such a decision in favour of creating another agency, the EUVEGE may need to support the preparation phase too.</p> <p>In the area of employment, it is clear that the MoLHSA is in the beginning of a long road towards labour market management, in particular regarding the implementation of more comprehensive ALMPs, a functioning LMIS, developing effective PES, efficient delivery of career guidance and counselling services (both education and employment sides), and LM surveys. The EUVEGE support activities of LM surveys and PES need to start and in all these areas, the level of policy development and institutional capacity of the MoLHSA is lower than that of the MoES. Another important task for the EUVEGE for the remaining implementation period would relate to support the beneficiary in compliance of the relevant provisions of the Association Agreement, i.e. Chapter 14 on ‘Employment, Social Policy and Equal Opportunities’ (articles 348-354 and Annex XXX), and the Chapter 16 on ‘Education, Training and Youth’ (articles 358-361 and Annex XXXII).</p> <p>All stakeholders highlighted the unequal policy development levels of VET and LM/employment sectors, and the related challenges for EUVEGE. Compared to less developed LM/employment sector, the VET/MoES has already existing structures and policy processes. As a result, the VET department has much higher capacity and ‘recognition’ within the education sector and the MoES whose mission concentrates only on ‘education and training’. Moreover, VET sector has several donor projects and implementing agencies with specific (additional) functions and services (starting with NCEQE, TPDC, National VET Council, and other agencies), while LM has only one agency (SSA), again with a very large scope covering health, social assistance, and only recently employment. The number of SSA staff working on employment is also extremely small and lack employment-specific expertise.</p>
<p>Skills Development and Matching for Labour Market Needs, NOTE FOR THE ATTENTION OF LAWRENCE MEREDITH, DIRECTOR NEAR C, 2020</p>	<p>Background: Skills Development and Matching for Labour Market Needs was signed November 2018. The total EU contribution amounts to EUR 48 850 000 with a budget support component of EUR 30 000 000. The remaining amount is allocated to complementary support (EUR 15 100 000) and for specific actions in Abkhazia (EUR 3 750 000). Complementary support provides technical assistance to the beneficiary ministries and agencies. In addition, two Twinning projects with EU Member States on "Improving the Standards of Employment Conditions/Relations, as well as Health and Safety at Work in Georgia" and on "Strengthening Capacities for Quality Assurance and Governance of Qualifications" support the alignment of Georgian standards and rules with EU standards in the field of the labour market and education. Moreover, a number of grants – which have recently been contracted – focus on enhancing the employability of the Georgian population (notably of youth and disadvantaged groups) The Programme will further improve the skills anticipation system (the so-called Labour Market Information System) in order for the education system to better respond to the demand from the labour market. At the same time, the Programme will improve the services offered to job seekers provided by the employment support services in the regions (career guidance and counselling, job intermediation and labour market integration services). The Programme will also address VET colleges (public and private) in order for courses/qualifications offered to respond to the needs of students and employers. This should also lead to more students choosing VET over higher education. It is noteworthy that in 2019, 16 548 people registered for VET programmes.</p> <p>Entrepreneurship as a key competence will become an integral part of curricula and teacher training, including practical entrepreneurial experience (in upper secondary general education and VET). Entrepreneurship training modules will be included in higher education and VET institutions. The</p>

Programme also aims at further linking the private sector with VET institutions. The new Programme is based on lessons learned from the previous sector reform performance contract “Employment and Vocational Education and Training (EVET)” which was successfully implemented during 2013-2018. The EVET Programme considerably improved the system of VET in Georgia, re-established previously abolished key labour market institutions including employment support services for job seekers, and created a comprehensive Labour Market Information System. It also triggered increased Government investments in VET, skills and employment and elevated human capital development to become the key priority of the new Government. The Government is progressing in implementation of the overarching education strategy which entails better coordination of the entire education system through a 5-level reform that involves the integration of preschool education, school education, vocational education, higher education and science, the introduction of innovative education systems, and the deepening of close ties between education and economics. Against this background, the Government is planning to spend 10% of GDP on education by 2030. It should be noted that the COVID-19 pandemic certainly had and will have an impact on the development in this sector with the education system being significantly affected by the crisis. For instance, due to the need of practical on-the-job training, the Ministry of Education, Science, Culture and Sports (MoESCS) had to prolong the duration of the VET courses for students from last year’s intake and thus reduce the intake in 2020. This naturally limits the number of places at VET institutions available for new students. Restrictions related to the COVID-19 crisis have also negatively impacted active labour market policies undertaken by the Government. Given that this note focuses on achievements in 2019, the impact of COVID-19 will be assessed in detail in next year’s note. Nonetheless, it should be noted that intensive policy dialogue has been ongoing over the last few months to discuss the impact on the sector and the need to amend the Financing Agreement accordingly.

VET Strategy: The guiding public policy document in the VET sector is the Strategy for VET Reform (2013-2020). It was adopted by the Prime Minister of Georgia (Order #300) on 26 December 2013. The reform priority areas of the VET Strategy are focusing on increasing VET enrolment, developing public-private partnership, work-based learning, quality enhancement, continuous professional development of teachers and improving the link between VET and other levels of education. The VET Strategy forms an integral part of the Unified Strategy for Education and Science 2017-2021 which is covering the whole education system with three global objectives: quality, inclusion and relevance. One of the specific goals of the Unified Strategy is to increase the number of vocational education students in order to further support Georgia’s socio-economic development by improving the competitiveness of the Georgian labour force. Three strategic tasks have been set in order to achieve this goal: 1. Compliance of vocational education with the requirements of labour market needs and internationalisation of the system; 2. Ensuring the accessibility to vocational education based on the principle of lifelong learning; 3. Promotion of vocational education and training and increasing its attractiveness. The Report on Implementation of the VET Action Plan in 2019 allows to conclude that significant progress was made during 2019 with respect to all three of the VET strategic objectives/tasks defined by the Unified Education Strategy. This was also corroborated by a Mid-Term Evaluation of the Unified Strategy which was published on 21 February 2019. The evaluation confirmed that good progress had been achieved in the area of vocational education as evidenced by an increasing number of VET students. Furthermore, Georgia’s progress in addressing systematic weaknesses in VET, improving human capital capacity and addressing the skills mismatch to strengthen its economy, have been highlighted by the European Training Foundation (ETF) as part of its latest round of the Torino Process. ETF stressed that VET policy in Georgia reflected a considerable maturity. At the same time, more needs to be done on budgeting and staffing to achieve the ambitious objectives of Georgia’s VET policy.

Key Achievements in 2019 in the Area of VET: The following is a (non-exhaustive) list of key achievements in the area of vocational education and training which further demonstrates that significant progress has been accomplished in 2019:

- In 2019, 30 dual education programmes were implemented. The Georgian Farmers Association and the Winemakers Association have taken over the coordination of the implementation of dual programmes in their respective fields.
- Since 2019, short-term vocational education training programmes have become part of the formal education system. These courses are of particular importance for training/retraining of adults to re-join the labour market.
- The VET system fully moved to modular learning. Starting from 2019 all VET programmes are being developed by employers in close partnership with VET 6 institutions and the entrepreneurship module became a compulsory component. Modular programmes focus not only on the development of professional skills but also on basic skills (literacy, mathematics etc.) and key skills (entrepreneurship, digital competencies etc.). It is noteworthy in this regard that the score of the entrepreneurial education component measured in the SME Policy Index 2020 increased from 2.70 in 2016 to 4.24 in 2019.

	<ul style="list-style-type: none"> • The National Qualifications Framework has been aligned with the European Qualifications Framework through an Order of the Minister of Education in April 2019. The implementation of the Framework will be supported through the EU funded Twinning with the National Centre for Educational Quality Enhancement (NCEQE). • Support to continuous professional development of VET teachers resulted in the revision of VET Teacher Standards and continuous trainings of teachers of public VET institutions. - • Over 9000 students have been able to test their strengths in different VET professions through engaging in orientation and certification courses within the framework of the “Professional Skills Development Programme for School Children”. • The network of vocational education institutions has expanded with new locations in Akhalkalaki, Borjomi, Marneuli, Tskaltubo, Khashuri, Chokhatauri, Goraberezhouli, Kaspi and Shuakhevi. - Private VET institutions can now also benefit from the voucher system with 234 vocational students receiving state funding. Furthermore, the amount per voucher was increased which allowed an increase in the hourly wage rate for VET teachers by 30%. • The VET Strategy also has the objective to improve access of vulnerable groups to VET. For instance, the Vocational Education Programme for Internally Displaced Persons (IDPs) covers the transportation expenses for VET students with refugee status and promotes self-employment of certified IDPs by providing equipment and supplies. - The 2019 Tracer Study confirmed that 62% of VET graduates are employed (which is a slight increase from 2018). <p>The above confirms that satisfactory progress was achieved in the implementation of Georgia's national Vocational Education and Training and Labour Market sector policies and strategies in the course of 2019. Thanks to the VET Strategy, the quality and relevance of VET delivery to support economic development as well as livelihoods of the Georgian population by equipping youths and adults with skills to meet the requirements of the labour market has further improved. The VET policy aims to counter the ingrained stigma of technical education by raising awareness of its potential to enhance future income levels thus being a viable alternative to higher education for the majority of the population. Georgia's dynamic and inclusive VET policy contributes significantly to improving the nexus between education and the labour market which is vital for the country's economic and social development. The labour and employment policies presented in the new Strategy for Labour and Employment Policy 2019-2023 provide a comprehensive framework to promote the employability of the Georgian population (regardless of gender, age, physical ability, location or socioeconomic background), to generate increased employment and self-employment and thus stimulate inclusive economic growth and socioeconomic development. The Strategy focuses on the identification and increased awareness of work and career opportunities, the definition of skills requirements, the stimulation of entrepreneurship and the protection of workers' rights.</p>
<p>Skills Development and Matching for Labour Market Needs, NOTE FOR THE ATTENTION OF LAWRENCE MEREDITH, DIRECTOR NEAR C, 2020</p>	<p>The project has had a significant impact on individuals living on the territory of the Ajara Autonomous Republic, mainly in: strengthening of professional skills of job seekers, promoting the qualification of individuals employed on low-compensated jobs, support in employment and self-employment, assistance of secondary school pupils in making the right choice of their future profession. Implementation of an educational component of the project included four main stages: launching of training centres, working out of training programs, selection of trainers, and implementation of programs. At the initial stage of the project the training centres were launched in Batumi, Kobuleti and Keda, the trainers were selected and process of implementation of the project (selection of listeners, organization of trainings) was actively launched. Support in the self-employment component of the project included three main stages: promoting qualification of the applicants being interested in self-employment, promotion of launching small family enterprises (small business) or strengthening the existing ones, through issuing small grants; support in strengthening of beneficiaries (marketing, management, legislation, additional funding opportunities, etc.) having received financial support due to small grants. At the initial phase of the project we had an active cooperation with local state institutions, vocational institutions, schools, civil organizations, being interested in informal education, business representatives (potential employers), independent specialists. Cooperation was particularly active with the Employment Agency of Ajara Autonomous Republic, as far as the above-mentioned institution represented one of the targets of the project (The Employment Agency was significantly strengthened due to the project).</p>
<p>Presentation to Combined Meeting of the Skills4Jobs Steering Committees, David Handley, TA Team Leader</p>	<p>Project outputs (selection) Component 1: Sector Policies</p>

<p>15.12.2021, power point presentation</p> <p>Six-Monthly Progress Report No. 4, Technical Assistance to Skills Development for Matching Labour Market Needs in Georgia 1st March 2021 to 31st August 2021</p>	<ul style="list-style-type: none"> • VET Strategy/Action Plan: Drafting of Strategy completed. In current period: Stakeholder consultations, completion of 2-year Action Plan, submission to Government • Career Guidance Strategy/Action Plan: Completed - approval imminent • Youth Strategy/Action Plan: Strategy already drafted, and Action Plan was drafted in 4th reporting period - consultations on Action Plan still in progress before complete package can be finalized • Sector policy coordination: “Ideas paper” on improved coordination mechanisms circulated, but now being reviewed in the light of institutional changes (establishment of MoCSY, Skills Agency, with various transfers of functions). Support to BS indicator achievement on-going. • Comprehensive capacity building programme: Support to SESA in progress. Support to other beneficiaries under review - needs being re-assessed to take account of institutional changes • Communications: Support to be provided to MoES/Skills Agency for another “Week of Skills”. Further visibility support provided to SESA and Youth Agency <p>Component 2: Skills Development</p> <ul style="list-style-type: none"> • Innovative learning practices/online learning: Preparation of concept paper and action plan planned to start imminently • Improved VET access measures for targeted groups: A number of new sub-activities agreed with MoES, and planned to start imminently • Career guidance in schools, colleges: Skills Agency will be supported in implementing career guidance strategy in VET. Implementation support for general education to be planned with MoES • Entrepreneurship key competence development: Work on supporting EntreComp embedding in VET (with Skills Agency) and general education (with MoES/TPDC) to be started after the New Year <p>Component 3: Youth</p> <ul style="list-style-type: none"> • Professional development for youth workers: Survey/occupational analysis of youth workers in the regions as first step (in 4th reporting period). Professional standards are being defined for use in evaluating current training and developing a more advanced training programme <p>Component 4: Employment services</p> <ul style="list-style-type: none"> • New service model: Support to SESA institutional development and services at regional level is on-going, and includes assisting the drafting of an institutional development plan • ALMP measures: Desk studies and planning carried out – work on developing/improving to start imminently • Capacity building: Training for all SESA staff is being intensively implemented – ongoing and continues into next reporting period <p>Component 5: Data systems and analysis</p> <ul style="list-style-type: none"> • Networking of data sources: LMI Data Warehouse Working group established including data providers and data users – involves MoESD, MoIDPLHSA/SESA, MoES/EMIS/Skills Agency, GeoStat, MoF/Revenue Service, State Inspector Service, Youth Agency. Thematic sub-groups examining constraints, content, technical issues • LMIS: Support provided to enterprise survey of MoESD in transport and energy sectors – assistance to analysis continues. Preparations made to sub-contract development of a macro-econometric skills anticipation model • EMIS: Information/planning meetings with EMIS Agency, providing a basis for developing more detailed interventions
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I-7.3.2 Capacity of relevant educational institutions (e.g., in teaching, curriculum development, career counselling, transition-from-training-to-employment guidance, etc.), improved.

Since the Vocational Education Reform Strategy took effect in 2013, the National Vocational Education Council promoted and oversaw several initiatives to strengthen social partners in developing and implementing the new VET policies with a strong focus on the private sector. Initiatives included the establishment of sectoral councils and supervisory councils at the college level that rely heavily on the private sector and employers’ organisations and trade unions. Generally, the coverage of VET

was expanded and the capacity of VET institutions across the country was strengthened in order to increase the compatibility between vocational education and labour market demands. Today, vocational education programmes are taught 39 public and 78 private institutions. However, data leading up to 2018 show that despite substantial efforts to expand and develop the VET sector and strengthen the capacities of the institutions involved, GoG had not been on track of achieving its ambitious target of increasing the number of VET students. Enrolment in vocational training substantially dropped by 50% from 2013 to 2018, reaching close to 11,000 students. However, this does not necessarily indicate a failure of the GoG approach but is also reflective of the dramatic demographic change in the country, i.e. the rapid shrinking of the youth population. Although not directly addressing this indicator, it is important to add that – according to interviews – so far generally Georgian companies have not invested enough (or do not have enough capacity to invest) to incorporate people coming out of vocational training programmes.

<i>Evidence</i>	
Overall assessment of quality and credibility of evidence	Evidence for this indicator is assessed as Weak due to lack of post-2018 data.
<i>Sources of information</i>	<i>Evidence</i>
Danish Trade Union Agency, Labour Market Profile Georgia - 2021 ¹⁰²	<p>In contrast to the rapid expansion of enrolment at higher education levels, vocational education has been underdeveloped. This condition echoed in the mismatch between labour market needs and jobseekers demands. The 2015 Programme for International Student Assessment (PISA) showed alarming data that less than 2% of 15-year-olds were enrolled in vocational programmes in Georgia, compared to 14% in OECD countries on average. Not to mention, the high youth unemployment rate stuck to higher educated graduates indicated that the education system is poorly prepared for preparing vocational capacities to demand technical jobs. Part of this, VET in Georgia has struggled by being a type of education with lower quality and prestige than other types. It is often considered that VET is chosen by those who were not admitted to university education.</p> <p>At the beginning of the 2010s, the Ministry of Education, Science, Culture and Sport (MoESCS) aimed to better meet the labour market's needs. It focused on the skills of graduating students by expanding the coverage of vocational education and training (VET) institutions across the country and promoting communication campaigns to boost the VET's popularity. The Vocational Education Reform Strategy was adopted in 2013, aimed at a systematic transformation in vocational education. The government focused on ensuring compatibility between the vocational education and labour market demands; elaboration of new professional programmes with employers' engagement; and promoting innovative learning by equipping the state professional education institutions with innovative training laboratories. Data suggest that current spending shrunk from 4% of total education expenditure in 2007 to 1% in 2012, but from 2013 the state fully funded learning in vocational education institutions. The government promoted an ambitious target to increase the number of students by 40,000 by 2023. The Data demonstrated that the enrolment in vocational training dropped by 50% from 2013 to 2018, reaching close to 11,000 students, which impacted the diminishing youth population. Thus, so far, this enrolment rate is far below the MoESCS's aims. The ratio of pupils in vocational training to all pupils in secondary education even dropped in the margin, reaching 3.1% in 2018, not to mention the country was placed significantly lower than Europa and Central Asia (excluding high income) average. Other data suggest that the ratio of teachers in secondary vocational education to vocational students became very concentrated from 1 per 7.7 in 2013 to 1 per 2.6 in 2018, which was associated to the mentioned political issues protecting teachers in rural schools.</p> <p>Table: Number of students in Vocational Education</p>

¹⁰² <https://www.ulandssekretariatet.dk/wp-content/uploads/2021/01/LMP-Georgia-2021-final-rev.pdf>

Georgia		Values
Pupils in vocational training (2018)		10,653
Growth in pupils in vocational training, 2013-2018		-50 %
Ratio of females in secondary vocational to all secondary vocational (2018)		42 %
Ratio of teachers in secondary vocational education to vocational students (2018)		1 : 2.6
Comparative estimations	Country/region	%
Ratio of pupils in vocational to all pupils in secondary education, 2013-2018, average	Georgia	5.1 %
	ECA *	25 %

* Europe and Central Asia (excluding high income).
Note: Secondary vocational pupils represent the number of secondary students enrolled in technical and vocational education programmes, including teacher training.

I-7.3.3 Skills-matching, skill development, and employment services provided, particularly for youth and vulnerable groups (sex-disaggregated when possible), on the basis of reliable and timely labour market statistics / analyses / forecasts.

The most notable developments were an institutional reform of employment services in October 2019 resulting in the separation of employment services from social services. Subsequently, a new State Employment Service Agency (SESA) was established and has started operations in January 2020. According to reports, this reform is expected to contribute greatly to the quality and effectiveness of employment services in Georgia but there is no assessment of achievements to-date available yet. The implementation of the reform has been hindered by the Covid pandemic. The National Strategy 2019-2023 for Labour and Employment Policy and the Action Plan 2019-2021 of the National Strategy for Labour and Employment Policy aim at, inter alia, promoting the involvement of women and vulnerable groups in the labour market through targeted social and inclusive employment policies. The current National Youth Policy (in effect since 2014) aims at, inter alia, increasing youth employment and “professional growth for the youth of high quality”. A small project (Skills for Success) targets disadvantaged youth, especially Not in Education, Employment or Training (NEETs) and women, mainly from 14 to 29 years old, but only started in September 2021. There is not yet a data platform in place to show the effects of the aforementioned policies. The EU-funded TA project “Skills Development for Matching Labour Market Needs in Georgia” looks to establish a data warehouse using information from the Ministry of Finance. Data will also be shared from other sources so that relevant stakeholders are able to obtain any combination of information needed for policy making and implementation. According to interlocutors, the project has brought together data users and data suppliers, including several ministries.

Evidence	
Overall assessment of quality and credibility of evidence	Evidence for this indicator is assessed as Medium
<i>Sources of information</i>	<i>Evidence</i>

<p>Danish Trade Union Development Agency, Labour Market Profile Georgia – 2021</p>	<p>The Ministry of Education and Science developed a new unified strategy for education and science for 2017- 2021. The strategy includes all areas of education and science and focused on approximation with the relevant EU policies and practices in education. Partners involved in strategy's implementation process, include representation from the business sector and trade unions. Besides, separate sections of the Association Agreement between Georgia and the EU determined cooperation in the fields of science and education. It includes collaboration in the field of research, technology development and demonstration, and in the direction of education, training, and youth. The government raised expenditure in the education sector: it grew from 2.6% of GDP on average in the 2000s to 3.8% of GDP in recent years, which is up to 13% of total government expenditure. This stance reached the Europe & Central Asia (excluding high income) average. A significant share of the employment by education at the advanced level reached 36% and intermediate level at 56%. Women's share is more extensive than men at the advanced education level. In contrast, women's share is lower at the intermediate level. Generally, very few are working with less than basic education. The country is presenting significantly higher employment by education at the advanced level compared to Armenia (app. 15%), and Azerbaijan (27%), and Turkey (25%), but superseded by the Russian Federation (51%).</p> <p>The ministry promotes the National Strategy 2019-2023 for Labour and Employment Policy approved on December 30, 2019, and the Action Plan 2019-2021 of the National Strategy for Labour and Employment Policy. This strategy aims for the state to play a more active role in ensuring high-quality jobs in the labour market and increasing employees' number. Employment is one of the main factors contributing to overcoming poverty and promoting social equality of the population. It should contribute to the achievement of the country's inclusive socio-economic development goal. The main objectives are i) reducing the discrepancy between demand and supply, ii) strengthening Active Labour Market Policy (ALMP), and iii) promoting the involvement of women and vulnerable groups in the labour market through targeted social and inclusive employment policies.</p> <p>The current National Youth Policy from 2014 proposed a comprehensive regulatory framework for the development of youth, aged 14-29 years, and in the Ministry of Youth and Sports Affairs of Georgia. The policy aims to create social, economic, cultural, and political opportunities for the youth; to ensure education, employment, and professional growth for the youth of high quality; to have a healthy youth population that has access to adequate medical care, and to shape a safe and secure environment in which youth know their civic rights and responsibilities. The Youth Policy implementation has been somewhat side-lined due to several other social-economical and general problems in the country. The policy was criticised of being fragmented of youth policies between several strategies, acts, bodies, and structures, without any comprehensive framework, to collaborate. Generally, the majority of youth lack awareness about the Youth Policy and their rights.</p>
<p>Skills Development and Matching for Labour Market Needs, NOTE FOR THE ATTENTION OF LAWRENCE MEREDITH, DIRECTOR NEAR C, 2020</p>	<p>Key Achievements in 2019 in the Area of Labour Market Policies: The following is a (non-exhaustive) list of key achievements in the area of labour market policies which further demonstrates that significant progress has been accomplished in 2019:</p> <ul style="list-style-type: none"> • A major development and achievement was the approval of the institutional reform of employment services in October 2019 separating employment services from social services. A new State Employment Service Agency (SESA) was established and has started operations in January 2020. This reform is expected to contribute greatly to the quality and effectiveness of employment services in Georgia. • Implementation of the EU-Georgia Association Agreement in the field of labour – which has been a rather contentious area in the past – has progressed during 2019. In February 2019, the legislative package on the implementation of the principle of equal treatment of persons irrespective of racial or ethnic origin was approved. • The Law on Occupational Health and Safety was applied to all economic sectors in 2019 and the number of staff of the Labour Inspectorate was increased to 40. <p>Furthermore, in 2019 extensive amendments to the Labour Code were drafted aligning it to the provisions of over 10 EU Directives in the field of labour. These amendments were discussed with social and economic partners in 2019. The amendments were then submitted to the Parliament for approval in 2020.</p>
<p>Skills for Success. Monitoring Report, 2021</p>	<p>Skills for Success (Stichting Save the Children Nederland, Konrad Adenauer Stiftung e.V. (KAS), Youth Agency (LEPL), Youth Workers' Association of Georgia) targets disadvantaged youth, especially Not in Education, Employment or Training (NEETs) and women, mainly from 14 to 29 years old. The Project started on 1 September 2021. It just completed the starting phase of the implementation. Information meetings were organised in all the municipalities, the selection process of 10 target municipalities and 30 potential mobile youth workers has been finalised. KAS fulfilled the training of</p>

	<p>trainers (ToT) cycle in job counselling and career planning. Practical Manual for mobile youth workers is under preparation as well as guidelines for self-assessment and compendium of best practices.</p> <p>Most of the planned activities are being successfully implemented, at this stage there are no finalised outputs yet. Therefore it will be premature to assess effectiveness of the intervention. But the preconditions are good: experienced and motivated implementing partners, effective partnership scheme, based on complementarity of expertise, involvement of Youth Agency under the MoCSY, good networks etc.</p> <p>The Project already made some efforts to ensure coherence and coordination with other projects funded under Skills4Jobs Programme and to avoid overlaps.</p> <p>The Project shared the results of some studies carried out within the previous actions, managed by Save the Children, during the meeting held in September 2020. It also announced the further development of international platform: network for educational resources and best practices exchanges, and suggested to the six projects under grant scheme component to consolidate their resources for creating one online platform instead of envisaging six different options. For that moment only six grant projects were awarded.</p> <p>The Project has had some exchange and communication with the project ‘Skill Building and Innovative Job Opportunities in the Regions’, implemented by CSRDG. The Project is however conscious that this interaction is insufficient, especially taking into account the fact that most of the nine implemented projects are focused on youth and on development of entrepreneurial skills among young disadvantaged audiences.</p> <p>The Project largely benefits from EU experience in the field of social protection and professional education, development of entrepreneurial skills among young disadvantaged audiences and accompanying them at start-up level. The Project is based on European experience and best practices of entrepreneurship.</p> <p>The Project already established good links with such worldwide known organisations that provide support to newly established entrepreneurs, as ENACTUS and Youth Entrepreneurial Ambassadors.</p>
<p>Laboratory Health and Safety LLL Courses for Youth in West and East Georgia (CoLLLab) / (Project) / 417-316 Monitoring Report, 2021</p>	<p>The planned activities are being successfully implemented, except those trainings requiring physical presence and learning by doing process. Some outputs of excellent quality are being produced.</p> <p>One of the most important outputs is a textbook on Laboratory Health and Safety to be introduced at four universities. The first draft of the English version of the textbook was prepared with involvement of the experts representing TSU, NCDC, SLA, Teramo and Milano Universities in the development of brief contents. The textbook consists of six sections, each built up by chapters and sub-chapters. The reference materials are also provided. The final editing of English version is on-going. The work on development of Georgian version has been started.</p> <p>The procurement of equipment to be installed at four target locations has been started by TSU.</p> <p>Project web-site has been launched and is operational, providing e-platform for on-line consultancy and e-employment.</p> <p>All the preconditions are met for achieving expected results and target values. The expected outcomes are likely to be achieved.</p>

I-7.3.4 International mobility mechanisms for students, researchers, workers, and professionals provided (incl. credential standardisation).

Georgia is a partner state of the Erasmus+ programme and has participated in all programme components, i.e. International credit mobility (ICM), Erasmus Mundus Joint Master Degrees (EMJMDs), Capacity Building in Higher Education action (CBHE) projects, and Jean Monnet (JM) activities. The participation of Georgian students and researchers in ICM increased more than sevenfold between 2015 and 2019. Georgian participation in all other programme components also increased substantially. However, the geographical distribution of higher education institutions involved in internationalisation is uneven. A 2020 study showed that 70% of the mobility of academic and administrative staff was limited to a total of five universities, all located in Tbilisi.

Georgia joined the Bologna Process in May 2005. “Bologna” significantly changed the Higher Education system in the country while bringing it closer to the European standards. Georgia adopted the European Credit Transfer System (ECTS) which – together with the National Qualifications Framework and programme accreditation – enabled credit standardisation and brought Georgian higher education in line with the standards across the Bologna area. As a research paper by Diana Lezhava

noted, “It can be said that the Europeanization of higher education in Georgia was the only means of addressing severe domestic problems that were inherited by the post-revolutionary government.”

<i>Evidence</i>																																																									
Overall assessment of quality and credibility of evidence	With the exception of one recent report there is no systematic study of internationalisation trends in the Georgian higher education system, most documents focus primarily – and often exclusively – on outputs. Overall, the evidence for this indicator is assessed as Medium .																																																								
<i>Sources of information</i>	<i>Evidence</i>																																																								
European Commission, Erasmus+ for higher education in Georgia, 2020: https://ec.europa.eu/assets/eac/erasmus-plus/factsheets/neighbourhood/georgia_erasmusplus_2019.pdf	<p>For over 30 years, students and staff have moved between European universities in the Erasmus programme. Since 2015, Erasmus+ has also allowed short-term mobility to Europe from other parts of the world for students, researchers, and staff. This two-way mobility allows students to study in a foreign university for 3-12 months and obtain credits which are then recognised at the sending institution as part of their degree. Starting in 2018, traineeships are also possible. There are also grants for staff mobility of 5-60 days. There are distinct budgets for different regions of the world that are divided between all the European countries. Programme-Country institutions make up bilateral partnerships with universities from Eastern Partnership countries and apply on behalf of their partners.</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th></th> <th style="background-color: #add8e6;">TOTAL</th> <th style="background-color: #add8e6;">2019</th> <th style="background-color: #add8e6;">2018</th> <th style="background-color: #add8e6;">2017</th> <th style="background-color: #add8e6;">2016</th> <th style="background-color: #add8e6;">2015</th> </tr> </thead> <tbody> <tr> <td>Proposals received involving Georgia</td> <td style="background-color: #add8e6;">1 331</td> <td style="background-color: #add8e6;">371</td> <td style="background-color: #add8e6;">288</td> <td style="background-color: #add8e6;">244</td> <td style="background-color: #add8e6;">225</td> <td style="background-color: #add8e6;">203</td> </tr> <tr> <td>Projects selected involving Georgia</td> <td style="background-color: #add8e6;">931</td> <td style="background-color: #add8e6;">330</td> <td style="background-color: #add8e6;">195</td> <td style="background-color: #add8e6;">147</td> <td style="background-color: #add8e6;">156</td> <td style="background-color: #add8e6;">103</td> </tr> <tr> <td>Students and staff moving to Europe</td> <td style="background-color: #add8e6;">4 757</td> <td style="background-color: #add8e6;">1 144</td> <td style="background-color: #add8e6;">1 109</td> <td style="background-color: #add8e6;">825</td> <td style="background-color: #add8e6;">984</td> <td style="background-color: #add8e6;">695</td> </tr> <tr> <td>Students and staff moving to Georgia</td> <td style="background-color: #add8e6;">2 724</td> <td style="background-color: #add8e6;">751</td> <td style="background-color: #add8e6;">699</td> <td style="background-color: #add8e6;">516</td> <td style="background-color: #add8e6;">568</td> <td style="background-color: #add8e6;">190</td> </tr> <tr> <td>Percentage of regional budget (see chart)</td> <td style="background-color: #add8e6;">24.0</td> <td style="background-color: #add8e6;">27.47</td> <td style="background-color: #add8e6;">25.03</td> <td style="background-color: #add8e6;">21.83</td> <td style="background-color: #add8e6;">25.68</td> <td style="background-color: #add8e6;">19.33</td> </tr> </tbody> </table> <div style="text-align: center;"> <p>Regional ICM funding 2015-2019</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Country</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Ukraine</td> <td>40%</td> </tr> <tr> <td>Georgia</td> <td>25%</td> </tr> <tr> <td>Armenia</td> <td>12%</td> </tr> <tr> <td>Azerbaijan</td> <td>8%</td> </tr> <tr> <td>Belarus</td> <td>8%</td> </tr> <tr> <td>Moldova</td> <td>7%</td> </tr> </tbody> </table> </div>		TOTAL	2019	2018	2017	2016	2015	Proposals received involving Georgia	1 331	371	288	244	225	203	Projects selected involving Georgia	931	330	195	147	156	103	Students and staff moving to Europe	4 757	1 144	1 109	825	984	695	Students and staff moving to Georgia	2 724	751	699	516	568	190	Percentage of regional budget (see chart)	24.0	27.47	25.03	21.83	25.68	19.33	Country	Percentage	Ukraine	40%	Georgia	25%	Armenia	12%	Azerbaijan	8%	Belarus	8%	Moldova	7%
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European Commission, Erasmus+ for higher education in Georgia, 2020	Erasmus Mundus Joint Master Degrees (EMJMDs) award EU-funded scholarships to Master students from around the world that cover covering tuition, travel, and a living allowance. The programmes last from one to two years during which students study in at least two different European countries, and obtain a joint, double degree, or multiple degree. Institutions from partner countries can also be part of the consortia that deliver these																																																								

programmes (though this is not obligatory) as Full Partners, which means they officially award degrees, or as Associated Partners, where they participate in the programme in some kind of capacity, but do not award the actual joint degree.

Georgia in EMJMD projects	TOTAL	2019	2018	2017	2016	2015	2014
Total EMJMDs selected	204	51	44	39	27	32	11
Total proposals received	613	107	112	122	92	119	61
Proposals received involving Georgia	17	4	4	3	2	0	4
EMJMDs selected involving Georgia	8	2	2	3	1	0	0
Full partners from Georgia in EMJMDs	1	0	0	1	0	0	0
Associates from Georgia in EMJMDs	12	3	2	5	2	0	0

Erasmus+ Capacity Building in Higher Education action (CBHE) projects, which last from two to three years, are aimed at modernising and reforming higher education institutions, developing new curricula, improving governance, and building relationships between higher education institutions and enterprises. They can also tackle policy topics and issues, preparing the ground for higher education reform, in cooperation with national authorities. Around 11% of the annual global budget for CBHE projects is earmarked for Eastern Partnership countries.

Georgia in CBHE projects	TOTAL	2019	2018	2017	2016	2015
Proposals received in call overall	3 811	840	887	833	736	515
Projects selected in call overall	744	163	147	149	147	138
Proposals received involving Georgia	272	50	50	61	69	42
Projects selected involving Georgia	30	6	5	5	9	5
Projects coordinated by Georgia	4	0	1	1	2	0
Instances of participation from Georgia	134	33	24	26	30	21


Jean Monnet (JM) activities aim to develop EU studies worldwide. For over 25 years they have been supporting Modules, Chairs, and Centres of Excellence to promote excellence in teaching and research on the European integration process at higher education level. The programme also supports policy debate with the academic world through networks and a number of associations in the domain of EU studies.

Georgia in Jean Monnet	TOTAL	2019	2018	2017	2016	2015	2014
Proposals received in call overall	6 153	1 315	1 255	1 177	1 034	879	493
Projects selected in call	1 500	285	235	238	270	260	212
Applications from Georgia	58	17	7	9	11	12	2
Selected projects from Georgia	13	6	1	1	4	1	0
Networks involving partners from Georgia	2	0	0	1	0	1	0

European Commission,
Erasmus+ for higher
education in Georgia, 2020

National Erasmus+ Office Georgia. 15 Years of Bologna Process in Georgia: Achievements, Challenges and Recommendations, 2020: ¹⁰³	<p>Since 2005, when Georgia became part of the Bologna Process, internationalization has soon become one of the main goals of higher education. The development of tools such as the Credit System (ECTS), the National Qualifications Framework, and program accreditation made it possible to compare Georgia's higher education programs with those of other countries involved in the Bologna Process. The Bologna Process was an important impetus for the development of joint curricula and research projects. During this period, existing programs were continued and developed, new programs were formed. Georgia is a partner state of the Erasmus+ program. Through the program, students and staff can participate in a variety of majors and grant competitions. Over the years, Erasmus+ has become one of the main actors in the field of internationalization.</p> <p>The area of internationalization is expanding in Georgia. Out of 55 authorized higher education institutions operating in Georgia, 32 are included in the Erasmus + mobility program (50% are public, 50% are private higher education institutions). As for the universities of partner countries, their numbers have increased greatly in recent years and the geographic area has expanded.</p> <p>It should be noted that the selection of partners and the growth of internationalization do not serve any pre-determined policy and are often accidental. The 2019 survey makes it clear that a large proportion of universities do not have a clear policy on internationalization. Unequal geographical distribution of USDs involved in internationalization within the country. The results of the study show that access to internationalization is unequal. 70% of the mobility of academic and administrative staff is limited to a total of five universities. All five are located in Tbilisi.</p> <p>These data indicate geographical inequality and various types of constraints. These include: Lack of resources, which in turn leads to differences in competencies (e.g., differences in foreign language proficiency); Lack of information; Lack of experience; Difference in expectations.</p>
Diana Lezhava, Bologna Process Europeanization of Georgia's Higher Education System. 2016 ¹⁰⁴	<p>It can be said that the Europeanization of higher education in Georgia was the only means of addressing severe domestic problems that were inherited by the post-revolutionary government. First, it was a long-wished reform of the system itself that everybody agreed that needed changes. Second, it was an attraction for the population of the post-Soviet country that looked at Europe as a proper, much better way of constructing and managing different spheres, and particularly that of education. Lastly, Europeanization of higher education was part of the government's Western aspiration, hence the process of Georgia's Europeanization itself. However, it is a long-term project that in addition to formal compliance with the European standards and Bologna requirements, also needs a substantive reforming to enhance the quality of teaching and learning.</p>

EQ8 - Connectivity (energy, transport, environment and climate change)

<p><i>To what extent has EU support to Georgia contributed to improved connectivity, (energy, transport, environment and climate change)?</i></p>		
Description/ Rationale	<p>Connectivity is considered to be crucial to achieve further economic and geographical integration, particularly considering Georgia's location as an Asia-Europe transit hub and for the Eastern Partnership goal of regional integration although beyond these aspirations, no explicit strategic vision appears to have been elaborated for Connectivity as a whole in Georgia . This enhanced connectivity will contribute to economic growth and poverty reduction in the country. Introduced as a focal area in the SSF 2017-2020, aspects emphasised were energy and energy efficiency, transport, and environment and climate change, which are the subjects of the JCs employed here: energy security and efficiency (JC8.1), transport nodes, links, and networks (JC8.2), and environment and climate change (JCs 8.3 and 8.4). More than other areas examined in this evaluation, Connectivity involves long-term, capital-heavy investment, meaning that the use of innovative financial approaches, such as blending; as well as a planning-intensive long-term perspective emphasising economic linkages and sustainability¹⁰⁵, are required.</p>	

¹⁰³ <http://erasmusplus.org.ge/files/publications/Research%20Projects/ENG/15%20Years%20of%20Bologna%20Process%20in%20Georgia.pdf>

¹⁰⁴ https://www.researchgate.net/publication/309667953_Bologna_Process_Europeanization_of_Georgia%27s_Higher_Education_System

¹⁰⁵ Although project provision has been made to facilitate sustainability of infrastructure service provision, no such measures can yet be examined for actual performance or effectiveness as most 'Connectivity' project outcomes (or even outputs) have yet to be achieved.

JC8.1 Enhanced energy security and increased energy efficiency

Enhanced energy security and increased energy efficiency.

I-8.1.1 Improved legal and regulatory basis for energy markets, energy efficiency, renewable energy improved.

The 2014 National Action Plan for the Implementation of the Association Agreement had, as key objective, the completion of negotiations concerning Georgia's formal accession to the Energy Community, integration of the national energy market with EU acquis (including strengthened energy security and regulatory convergence by adoption of relevant EU legislation) and development of the use of renewable energy sources. In this and other subsequent Action Plans, the GoG planned activities to support implementation of the Association Agenda commitments including further integrating Georgia's energy market with that of the EU, reinforcing Georgia's energy infrastructure network and interconnections and regulatory reform.

In 2015, the Main Directions of State Policy in the Energy Sector were approved, outlining general energy policy directions. Georgia became a Contracting Party to the Energy Community in July 2017. In October 2019, a more detailed Energy Strategy of Georgia 2020-2030 was approved and the Energy Efficiency Law was adopted in 2020.

In May 2020 two new pieces of legislation were enacted (Law on Energy Efficiency and Law on Energy Performance of Buildings) which are milestones for Georgia meeting commitments under the DCFTA (Deep and Comprehensive Free Trade Agreement) and as a member of the Energy Community. These laws are expected to facilitate better energy performance standards for new construction (and retrofits) in line with EU standards aimed at reducing national energy consumption by 14% by 2025.

However, whilst GoG is in the process of adopting EU standards on energy efficiency, Georgia remains heavily reliant on energy imports, still lacks solid and comprehensive regulatory frameworks for energy, environment and climate protection, and has neglected energy infrastructure.

EU support to improved legal and regulatory basis for energy markets, energy efficiency and improved, renewable energy is 'led' by the GESR (Georgian Energy Sector Reform) project which supports establishing relevant standards, certification, accreditation, audit and inspection schemes, as well as providing capacity building for the private and public stakeholders and awareness raising for scaling up energy-efficient construction and rehabilitation of buildings. It also supports the elaboration and prioritisation of investment project pipelines of specific energy efficient investments, which can then be financed by national investment programmes, in public buildings at national level. GESR also fosters fundamental restructuring of the Georgian electricity sector from a centralised market to a target market in line with the EU's Third Energy Package; a market that allows more efficient use of electricity by competitive price formation that is transparent, non-discriminatory, fair and sustainable whilst being governed by an independent regulator and unbundled transmission system operator, in contrast to the current market situation in which, through subsidies, the benefits of greater consumer-side energy efficiency are disguised. However, significant tariff reforms are expected to be necessary.

Evidence	
Overall assessment of quality and credibility of evidence	Considering that this JC deals with the legal and regulatory framework which is a matter of public record, the quality and credibility of supporting evidence is assessed as Strong .
Sources of information	Evidence

ENI/2017/390659 Extension of the Georgian Transmission Network Plans	Under ENI/2017/390659 Extension of the Georgian Transmission Network Plans (€125M) (for provision of grid infrastructure) will be on-lent by MOF to GSE (100% state-owned transmission network operator and thus a key player in the Georgian electricity market). This investment is also expected to contribute to better energy efficiency and ensure sufficient transfer capacity for integration of renewable energy sources into the network. In examination of the ESAP it is noted that under 'Performance Requirements' most of such conditions are 'Lenders' Requirements' which in most cases exceed national ESG requirements.
ENI/2018/403314 Enguri Hydro Power Plant Rehabilitation Project: Climate Resistance Upgrade	Under ENI/2018/403314 Enguri Hydro Power Plant Rehabilitation Project: Climate Resistance Upgrade the rehabilitation of the plant with greater resilience to climate change expected to increase energy efficiency ¹⁰⁶ whilst adding to the renewable energy profile. ¹⁰⁷
ENI/2018/404204 Georgian Energy Sector Reform (GESR)	<p>Under ENI/2018/404204 Georgian Energy Sector Reform (GESR) the main objective of the project is to promote energy efficiency in the Georgian energy sector through establishment of a relevant regulatory framework and promotion of a market environment. The project also aims at the need to increase energy efficiency to reduce GHG omissions to achieve climate goals.</p> <p>Edited extract from -Description of the Action: In the area of EE and especially in buildings, Georgia-s commitments under the AA and the EnC include the implementation of the Energy Performance of Buildings Directive, 2010/31/EU and of the Energy Efficiency Directive, 2010/27&EU. These Directives contain requirements for guiding principles and mechanisms for promoting EE in buildings either through directly applicable requirements or through more detailed specifications of primary and secondary acts. The implementation of the primary and secondary legislation provides the framework for defining cost/optimal minimum energy performance requirements for new and existing buildings, setting up energy performance certification, calculation methodologies and auditing structures, establishing financing schemes for energy efficiency investments, preparation of building stock inventories and establishment of a climatic database.</p> <p>The Action is with its roadmap of required reform measures linked to policy-based loans and technical assistance assisting Georgia to achieve these reforms including establishing relevant standards, certification, accreditation, audit and inspection schemes, as well as providing capacity building for the private and public stakeholders and awareness raising for scaling up energy efficient construction and rehabilitation of buildings. Interviews during the field phase suggest that at least some of the delays in implementation of some EE-related project can be directly linked to limited awareness of potential benefits (at all levels – energy savings, development of local markets, social advantages) which has led to perceptions of immediate disadvantage (increased costs, need to abandon old, familiar practices) and even opposition to introduction of 'new' requirements as new legislation together with revised specifications and practices are perceived to imply higher costs and reduced profitability. Interviews suggested ruefully that greater effort in gaining greater involvement and 'buy in' from government could have been effective in avoiding some of the delays.</p> <p>Building on that and on experience from existing pilot projects, the Action also supports elaboration and prioritisation of investment project pipelines of specific energy efficient investments in public buildings at national level, which can then be financed by national investment programmes Interviews with stakeholders during the field phase have revealed consensus that the policy-based loans approach (energy sector) is becoming increasingly effective in providing incentives for performance albeit those opinions vary in enthusiasm¹⁰⁸. This concept, perceived to be similar tolike budget support, is characterised as <i>'a road map agreement – to build a framework – common ground for many actors in Georgia and as a living document which is then broken down into specific triggers (for disbursement)'</i>. Overall the PBL approach is considered to be beneficial for the energy sector (despite identified national capacity issues), not only about adoption of legislation and regulations but also the critical steps of the implementation and institutional components.</p> <p>GESR also fosters fundamental restructuring of the Georgian electricity sector from a centralised market to an organised market. The target market envisaged by the proposed reform is in line with the EU's Third Energy Package; a market that allows an efficient use of electricity by competitive price formation and signals, that is transparent, non-discriminatory, fair and sustainable in the long run while being governed by an independent regulator and unbundled transmission system operator. At its heard, the goal of GESR is to promote EE through establishing a market driven valuation</p>

¹⁰⁶ Enguri HPP supplies ~35% of Georgia's electricity and high efficiency and productivity is an economic necessity

¹⁰⁷ It is estimated that 250 GWh/year increase in power production will be delivered from greater plant efficiency with CO2 equivalent savings of 83250 T/year

¹⁰⁸ A range of opinion from *'It is not ideal but it seems to be working'* through *'...satisfactory feedback'* to *'.....shining case of climate response success story'*

	<p>of the commodity (i.e. electricity) and thus promoting demand side energy efficiency based on economic rational optimization of consumption minimization through energy promotion and standard setting. This stands in contrast to the current market condition in which, through consumption subsidisation, the benefit of consumer side energy efficiency is not visible and thus not encouraged. As 'energy efficiency' means using less energy inputs while maintaining an equivalent level of economic activity or service, it also includes consumption reduction through behaviour change in an adequate market environment. This, the envisaged market reform is closely linked with the enhancement of EE in Georgia.</p> <p>The areas of intervention of the Action are based on the international commitments of Georgia under the AA and EnC membership and the specific requests for support by GoG. The Action involves intensive consultations (although field phase interviews suggested that such consultations were not always as effective as was hoped due to unfamiliarity with such consultation processes) with development partners active in the Energy Sector in Georgia in preparation and implementation stages to achieve complementarity and avoid overlaps with other assistance activities.</p>
ENI/2019/ 412866 and ENI/2019/412869 Programme for Energy Efficiency in Public Buildings in Georgia	<p>Under ENI/2019/412866 and ENI/2019/412869 Programme for Energy Efficiency in Public Buildings in Georgia by way of major investment in energy efficiency upgrading of ~250 public buildings (mainly schools) supported by TA with an objective of reducing energy consumption by 15% by 2030. These projects and GESR (see above) are intended to present a coherent response which leads to improved regulation, monitoring, incentives, sensitisation and demonstration in the sector which could lead to an integrated approach to environmental and climate issues by way of demonstrated improvement in energy efficiency which will also contribute to improved value chain and increased market competition and transparency for creation of a market for increased EE adoption (skills, experience, knowledge, understanding, materials, equipment).</p> <p>It is expected that individual sub-projects will include installation of renewable energy equipment such as solar photovoltaic panels, thermal systems and heat pumps.</p> <p>The EBRD Loan Agreement with GoG was due to be signed June 2020 but GoG put the process on hold indefinitely. Negotiations with KfW and EBRD were expected to re-commence in Q1 2021.</p>
C-392880 Biomass Energy and Energy-efficiency technology as a Sustainable Energy Solution for Georgian COM signatories	<p>Under C-392880 Biomass Energy and Energy-efficiency technology as a Sustainable Energy Solution for Georgian COM signatories it is intended to develop a legal practical model (form of cooperation) of the business chain including contracts or MOU signing with possible players (farmers, vineyards, communal companies etc) under a Feasibility Study for establishment of the biomass supply chain for 2 kindergartens including environmental, technical and economic aspects.</p>
C-387351 Assessment of Social and Economic costs of under-heating in Georgia	<p>Under C-387351 Assessment of Social and Economic costs of under-heating in Georgia consideration is given to energy market reform. (Extract from Description: Part II Europe 2020 Programme Single Donor Trust Fund).</p> <p>Georgia has committed to carry out electricity market reform under an agreement reached with the Energy Community, as outlined in the Energy Community Acquis. The country is expected to implement a new electricity trading arrangement under the new market as early as 2018. The new market model in combination with large investments into generation and transmission will require a substantially higher end user tariff.</p> <p>Georgia receives substantial benefits from the transit of natural gas from Azerbaijan to Turkey and from Russia to Armenia – these benefits are in the form of below market-priced natural gas. Georgia blends this gas with more expensive market-priced gas. The blended gas is supplied to residential consumers and used for thermal generation. This arrangement allows Georgia to keep electricity and gas tariffs at a relatively low level. Despite below-market priced energy, a large part of public and private buildings is under-heated leading to substantial economic and social costs. The under-heating is further exacerbated by very low heating efficiency in the buildings.</p> <p>Also, the study is expected to consider the likely impact on households if energy tariffs were to increase due to planned energy market reforms (including willingness and ability of households, businesses and public entities to pay for energy efficient improvements).</p>

I-8.1.2 Energy Community Treaty commitments (legislation, implementation, planning, monitoring and reporting) for Electricity and Gas markets met

In 2015, the Main Directions of State Policy in the Energy Sector were approved, outlining general energy policy directions (although this document has been criticised for providing neither the rationale for these strategic priorities nor guidance on strategy development). Georgia became a Contracting Party to the Energy Community

in July 2017. Membership of Energy Community obliges Georgia to comply with Title II of the Treaty establishing the Energy Community and to meet the timetable for implementing the directives listed in the Protocol. In October 2019, a more detailed Energy Strategy of Georgia 2020-2030 was approved and the Energy Efficiency Law was adopted in 2020.

Georgia has made commitments under the Energy Community Treaty to reduce CO2 emissions and to reduce air pollution, submitting its first Intended National Defined Commitment (INDC) in 2015 in support of its commitment to the Paris Agreement. During the period under review, Georgia has progressed in the legal approximation process and adopted its 3rd National Environment Action Programme (2017-2021) in May 2018. As regards climate action, Georgia is yet to adopt measures it committed to under the Paris Agreement; in particular, the development of the Low GHG Emission Development Strategy (LEDS) and its updated nationally determined contribution (NDC). Nonetheless, Georgia's institutional set up has been enhanced with the creation of the Climate Change Council and legislation on fluorinated gasses was adopted. Georgia has committed to reform of the electricity market under the Energy Community Acquis with implementation of new electricity trading arrangements but this new model implies substantially increased end user tariffs.

EU support directly responds to Energy Community Treaty commitments (and to approximation with the EU acquis under the EU-Georgia Association Agreement). In 2017 the EU-Georgia Association Council provided revisions of the EU-Georgia Association Agenda. The document updates and refocuses the 2014-2016 Association Agenda and set new priorities for joint work for the period 2017-2020, identifying priorities of the Association Agenda, among others, in the field of energy and energy efficiency, environment and climate change. It enhances approximation with the EU environmental acquis, as well, by involving all interested stakeholders, integrating environment into other policy areas and improving environmental information sharing.

EU assistance in the sector has taken different forms. In particular, the EU has provided support through ENI bilateral interventions providing TA for the development of policy or legislation. Georgia's accession to the Energy Community Treaty also allowed it to gain support for policy making and legislation to meet its Treaty commitments through the Energy Community Secretariat (ECS).

At regional level, the EU is also providing considerable support through regional flagship programmes EU4Climate, EU4Energy and the regional EU4Environment Programme, as well as through interventions channelled through the NIP. It has also channelled support through the Covenant of Mayors for energy efficiency interventions at municipal level and the Eastern Europe Energy Efficiency and Environment Partnership (E5P). With this support, Georgia submitted a revised NDC in May 2021, including the Climate Change Strategy and Action Plan to 2030.

Evidence	
Overall assessment of quality and credibility of evidence	Given that this JC covers the legal, regulatory, implementation and reporting requirements arising from Georgia's commitments as a signatory to the Energy Community Treaty, all of which are a matter of public record, the quality and credibility of evidence for this indicator is considered to be Strong .
Sources of information	Evidence
ENI/2007/390659 Extension of the Georgian Transmission Network	Under ENI/2007/390659 Extension of the Georgian Transmission Network the electricity network expansion in the different parts of Georgia considered under this Action is in direct correlation with the requirements of EU directives that Georgia is obliged to implement. The project also contributes to the requirements of the Energy Community by providing reliable infrastructure for transmission of domestically generated renewable energy for satisfying internal demand as well as for export activity. In examination of the ESAP it is noted that under 'Performance Requirements' the majority of such conditions are 'Lenders' Requirements' which in most cases exceed national ESG requirements.
ENI/2018/404204 Georgian Energy Sector Reform (GESR)	Under ENI/2018/404204 Georgian Energy Sector Reform (GESR) promotion of energy efficiency directly contributes to the requirements of EU directorates that Georgia is obliged to implement under the Association Agreement and the Energy Community Treaty.
ENI/2019/412866 and EN1/2019/412869 Programme of Energy Efficiency in Public Buildings in Georgia	Under ENI/2019/412866 and EN1/2019/412869 Programme of Energy Efficiency in Public Buildings in Georgia the investment interventions are seen as a translation of advanced energy efficiency standard into practice in line with GoG commitment to adoption of such standards and to some extent circumventing shortage of public funding for energy efficient building rehabilitation. Under C-387357 Assessment of social and economic costs of under-heating in Georgia reference is made to the Energy Community i.e. (extract from Description: Part II Europe 2020 Programme Single Donor Trust Fund). Georgia has committed to carry out electricity market reform under an agreement reached with the Energy Community, as outlined in the Energy Community Acquis. The country is expected to implement a new electricity trading arrangement under the new market as early as 2018. The new market model in combination with large investments into generation and transmission will require a substantially higher end user tariff.

I-8.1.3 Innovative tools (e.g., blending) effectively used to leverage ENI support for sustainable energy development.

The modalities and thematic areas of support show emphasis has been placed on energy efficiency measures to have both positive climate and economic impacts and minimum impact on environment. The main tools to implement EU sector support are policy dialogue with conditional linkage to financing ('policy-based loans')¹⁰⁹. These support the sector policy framework for management of the energy sector and allow the development of infrastructure investment projects (including blending of grants and loans). These upgrade the inherited legacy of deficient infrastructure and finance improvements in institutional management of power generation, transmission facilities and energy efficiency of public buildings so that there is overall reduced energy consumption, greater energy efficiency, and reduced GHG emissions.

However, investment needs of energy-related infrastructure are highly capital intensive. Per-project costs vary between €35M (hydro-power plant rehabilitation) and €66M (energy efficiency retrofitting of public buildings for greater energy efficiency) to €225M (extension of the transmission grid). "Blending" refers to the combination of grants from the EU and loans from financial institutions such as the EBRD and EIB. The claimed 'leverage ratio' (total project value to grant element) as set out in 'Descriptions of the Action' for the various energy projects varies between 5 and 36. Whilst 'leverage' is commonly used as a means of comparison between blending projects it is also suggested that calculations of leverage give only a very crude metric of comparison because larger budget capital investments financed by loans

¹⁰⁹ Interviews with stakeholders during the field phase have revealed that there is consensus as to the effectiveness of the approach although there is a range of opinion about the policy-based loans approach (energy sector) from 'It is not ideal but it seems to be working' through '...satisfactory feedback' to '.....shining case of climate response success story' This concept, perceived to be like budget support, is characterised as 'a road map agreement – to build a framework – common ground for many actors in Georgia and as a living document which is then broken down into specific triggers (for disbursement)'. Overall PBL is considered to be beneficial for the energy sector, not only about adoption of legislation and regulations but also the critical steps of the implementation and institutional components.

(with studies, design, supervision, institutional support etc. by grants) will almost certainly generate higher leverage whilst lower cost projects will generate relatively lower leverage figures.

Other than the claimed financial 'leverage', EU nature of EU contributions via blending has been suggested to be a form of intangible leverage including, for example: project timing, quality, standards, innovation, sustainability social and environmental considerations and policy dialogue arising from demonstration of project delivery¹¹⁰..

Evidence																			
Overall assessment of quality and credibility of evidence	The evidence base contains data on levels of support, it is not possible at this stage to judge the effectiveness of such support given that projects only were prepared after 2017. Given the relatively long periods necessary to develop and construct major infrastructure, most projects are still under implementation. Even though outputs may be expected to be delivered as planned, outcomes and impacts are not yet apparent.																		
Sources of information	Evidence																		
C-390659 Extension of Georgian Transmission Network	Investment in energy sector infrastructure is highly capital intensive and all such projects involve a 'blend' of loans and grants. The claimed leverage as set out in 'Descriptions of the Action' is summarised below: <table border="1"> <thead> <tr> <th>PROJECT</th> <th>LEVERAGE¹¹¹</th> <th>BASIS FOR CALCULATION</th> </tr> </thead> <tbody> <tr> <td>C-390659 Extension of Georgian Transmission Network</td> <td>1/22.5</td> <td>Total cost €225 M/EU contribution €10 M</td> </tr> <tr> <td>C-403304 Euguri Hydro Power Plant Rehabilitation Project: Climate Resilience Upgrade</td> <td>1/5</td> <td>Total cost €35.01 M/EU contribution €7.01 M</td> </tr> <tr> <td>C-412866 Programme for Energy Efficiency in Public Buildings in Georgia (KfW part)</td> <td>1/5</td> <td>Total cost €66.15 M/EU contribution € 12.65 M¹¹²</td> </tr> <tr> <td>C-412869 Programme for Energy Efficiency in Public Buildings in Georgia (EBRD part)</td> <td>1/5</td> <td>Total cost €66.65 M/EU contribution €13.15 M</td> </tr> <tr> <td>C-404204 Georgian Energy Sector Reform</td> <td>1/36</td> <td>Total cost £308.05M/EU contribution €8.5M</td> </tr> </tbody> </table>	PROJECT	LEVERAGE ¹¹¹	BASIS FOR CALCULATION	C-390659 Extension of Georgian Transmission Network	1/22.5	Total cost €225 M/EU contribution €10 M	C-403304 Euguri Hydro Power Plant Rehabilitation Project: Climate Resilience Upgrade	1/5	Total cost €35.01 M/EU contribution €7.01 M	C-412866 Programme for Energy Efficiency in Public Buildings in Georgia (KfW part)	1/5	Total cost €66.15 M/EU contribution € 12.65 M ¹¹²	C-412869 Programme for Energy Efficiency in Public Buildings in Georgia (EBRD part)	1/5	Total cost €66.65 M/EU contribution €13.15 M	C-404204 Georgian Energy Sector Reform	1/36	Total cost £308.05M/EU contribution €8.5M
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¹¹⁰ Interviews with financing partners during the field phase noted the alignment of IFI policy dialogue undertaken in the 'Investor's Council' and individual policy dialogue for specific support programmes with European 'standards and expectations – we are a European Bank'

¹¹¹ There does not appear to be a consistent logic in this metric of comparison (ie the higher the leverage the greater the effectiveness) which also implies that the investment would not have been possible without the EU component of funding (usually but not always a grant) sweetening the loan. A project (considered to be strategically or socially beneficial) may only be financially/economically viable if the loan component does not exceed a certain value that is serviceable (by tolls, revenues or whatever other means such as subsidies) and EU and/or IFI grants could make this possible as was confirmed during field phase interviews. Thus, if there is a leverage of, say, 1:5 or 1:10 then 20% of the total capital cost of the project (which would include feasibility, design, supervision, construction, ESIA/ESMP, compensation, resettlement and, in some case, operations for some years post-completion) must be loan-free and this is a credible argument. But if a very high leverage is claimed (eg 192.7, the claimed leverage for EU contribution financing TA to the Roads Department against EIB and other IFI financing of sections of the E-W highway) then this may indeed be an effective use of EU funds but the suggestion that EU provision of ~0.5% of total project cost makes a critical difference in enabling a project to go ahead that would not otherwise be possible, is not credible.

¹¹² 1st Implementation Report Feb 2021 notes that the total funding (loans) has increased to €69.35 M thus very slightly increasing claimed leverage.

C-404204 Georgian Energy Sector Reform	<p>Other than financial leverage summarised above claimed EU additionality is also considered as a form of leverage i.e. C-390659, C-403304, C-404204 – added value of EU intervention not explicitly identified.¹¹³ C-412866, C-412869 Additionality of the EU contributions is claimed for the following issues¹¹⁴:</p> <p><u>Financial Additionality¹¹⁵</u> GoG's financing capacity is limited and right investments are urgently needed. Without the EU Contribution, the investments in EE face postponement, be rolled out lower speed and/or may opt for less ambitious energy savings, implementing technology and materials below international best practice. Interviews with financing partners during the field phase noted the value of capital grants in mitigation of perceived financial risks of (expensive) introduction of innovative or new technologies.</p> <p><u>Social Additionality and Programme Scale</u> Comfort levels in schools can be improved and up to 150 000 people will benefit from improved health and safety standards in targeted buildings. Improved learning conditions in renovated buildings may result in higher attendance rate at school and enhanced quality of education. The EU Contribution allows for a more holistic approach towards building renovation and improving overall building conditions.</p> <p><u>Additionality in Terms of Project Timing</u> This action will be in parallel with the ongoing revision of the EE regulatory framework. EU support incentivises the adoption of ambitious energy saving criteria in a large-scale national renovation programme and establish the public sector as a front runner and market developer for upcoming EE standards and building renovations. EE standards and EE mechanisms that will be introduced in the framework of the adaption of EU directives and the NIP supported GESR Programme will be directly applied in this Action.</p> <p><u>Additionality in Ter of Project Quality and Standards</u> Through the EU NIP it is possible to incentivise the GoG to conduct EE upgrades and renovations in buildings according to upcoming EE standards which go beyond the current practices, also in terms of international environmental and social protection standards. This will also increase the capacity of participating private sector companies which will be available to be used in other construction projects. Thus, the EU investment grants and TA will have an impact on further EE investments in Georgia.</p> <p><u>Additionality in Terms of Innovation</u> Through the Action the GoG will be able to introduce and implement EE technologies, standards and practices which are new to Georgia. The grant incentivises the ambition for higher energy performance as the necessary EE regulation is still not fully implemented.</p> <p><u>Additionality in Terms of Sustainability</u> The Action with the EU support will create a valuable demonstration effect on a national and large-scale basis. The early adoption of improved EE standards in buildings will create awareness among the public and private sector, benefitting the continuous renovation efforts. The Action is designed to be a game changer by creating a market for advance EE materials and services, gaining experience in EE renovation of public buildings country via implementation of the respective EU Directives for EE and creation of visible best practices.</p> <p><u>Additionality in Terms of Environment</u> The Action will directly contribute to GoG's NDC's by realising energy and CO2 emission savings. The implementation of comprehensive and ambitious EE measures will tap into the full energy saving potential of poorly performing buildings and extend their lifecycle substantially which additionally avoids construction of new buildings and corresponding CO2 emissions. This is particularly important as the building sector accounts for over 30% of energy use in the country. Interviews with GoG representation during the field phase revealed that the Georgian political aspirations to join EU bestow further perceived added value to EC support across all sectors. Also interviews with EUD during the field phase on issues of leverage confirmed the variations in leverage between sectors, the degree of project/concept innovation or maturity and that the concept of leverage is considered to be a comparison metric is useful in promoting optimum use of limited EU funding.</p>
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¹¹³ Only reference to communication activities highlighting added value of EU interventions.

¹¹⁴ Edited extract from 'Description of the Action'

¹¹⁵ Interestingly it was suggested during field phase interviews that whilst there is no doubt that financial leverage has value, it is not considered to be an issue for visibility as being considered being considered too complicated for communication activities which concentrate on expected impacts of EU financing rather than the technical elements of a financing package

I-8.1.4 Barriers to energy efficiency (EE) (e.g., price subsidies, lack of finance, lack of awareness) reduced through, e.g., legislative reform and concrete investments.

Continuing barriers to energy efficiency in Georgia include:

- Unsatisfactory regulatory and legal framework
- Limited and immature market for advanced EE technology and services with limited value chain for EE technologies, equipment and material
- Lack of public funding for energy efficient rehabilitation of buildings
- High investment costs for building renovation and other infrastructure investment
- Limited understanding and awareness of EE benefits in the general public and decision makers
- EE not being perceived as a national priority
- Capacity deficit in government institutions to adequate design and implement EE renovations

For example, the response of GESR (404204) together with the twin projects (Programme for Energy Efficiency in Public Buildings in Georgia - 412866 and 412869) are intended to act coherently to improve EE legislative and regulatory frameworks and adopt EU Directives by application of new EE standards in an ambitious programme renovating public buildings for greater energy efficiency. This project aims to overcome to some extent the limited public funding for EE measures and, as the approach is innovatory in Georgia, it is expected to stimulate the local market and value chain for EE technologies and equipment whilst also serving as a demonstration project to increase awareness of EE benefits.

Evidence	
Overall assessment of quality and credibility of evidence	The strength of evidence for this indicator is assessed as Medium .
Sources of information	Evidence
GESR (404204) together with the twin projects (Programme for Energy Efficiency in Public Buildings in Georgia - 412866 and 412869)	The response of GESR (404204) together with the twin projects (Programme for Energy Efficiency in Public Buildings in Georgia - 412866 and 412869) are intended to act coherently to improve EE legislative and regulatory framework and adopt EU Directives by practical application of the new EE standards in an ambitious programme of renovation of public buildings. Interviews during the field phase suggest that at least some of the delays in implementation of some EE-related project can be directly linked to limited awareness of potential benefits (at all levels – energy savings, development of local markets, social advantages) which has led to perceptions of immediate disadvantage (increased costs, need to abandon old, familiar practices) and even opposition to introduction of 'new' requirements as new legislation together with revised specifications and practices are perceived to imply higher costs and reduced profitability.
ENPI/2014/342254 Retrofitting 3 kindergartens in Rustavi City in order to achieve high energy efficiency standards and GHG omission reduction. 2014.	Under project ENPI/2014/342254 considerable attention was paid to evaluation of results and communication activities as there was little experience of such an approach and the project was targeted to provide potential replicability of results. Energy efficiency is directly promoted by way of building modifications and proposed use of biomass and lack of awareness of benefits of energy efficiency is addressed by direct capacity building plus awareness raising, campaign, information dissemination (and the demonstration effects of project infrastructure investment).
C-387357 Assessment of social and economic costs of under-heating in Georgia	Under C-387357 Assessment of social and economic costs of under-heating in Georgia reference is made to potential barriers i.e. The energy tariff which is expected to be increased during the next few years will present a challenge to households, public buildings and businesses, which may choose to under-heat their homes in an effort to keep bills affordable, particularly if they are connected to piped natural

Extract from Description: Part II Europe 2020 Programmatic Single Donor Trust Fund	<p>gas. There is therefore a need for Government to identify and implement measures to support consumers, such as alternative tariff structures, social protection mechanisms and energy efficiency measure to mitigate the social and economic impact of the increase and improve the efficiency of the transfer of benefits from the gas transit to consumers. Accordingly, a comprehensive analysis of the economic and social impacts of under-heating is required to design and implement a set of effective policy measures.</p> <p>The Bank will carry out an assessment of financial and economic costs of under-heating of public, commercial and residential buildings .The study will also include analysis of the health-related costs stemming from energy inefficient buildings and poor indoor environment conditions beyond temperature, such as air quality, notable smog from heating/lack of ventilation and mould from condensation in cold walls.</p>
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JC8.2 Improved transport connectivity

Improved transport connectivity.

I-8.2.1 Increased participation in international transport agreements (TEN-T, Air, Maritime)

The 2014 AA and the aligned National Action Plans included a comprehensive set of actions to prepare for implementation of the EU acquis in all transport modes and the development of multimodal transport infrastructure. In July 2018 Georgia signed the High-Level Understanding on the extension of the EU's Trans-European Transport Network (TEN-T) to Eastern partners. The Indicative TEN-T Investment Action Plan, which identifies 18 priority projects for Georgia, has also guided GoG policies in this sector.

Georgia has implemented most of the commitments referred to the maritime sector in the AA, endorsing at Ministerial level the Common Maritime Agenda for the Black Sea in May 2019. Georgia also plays an active part in the Steering Group meetings of the Common Maritime Agenda for the Black Sea. In 2016, Georgia approved the National Road Safety Strategy 2016-30, and in 2017, its Action Plan. Along the period under review, approximation of Georgian aviation legislation to the standards of the EU has been achieved, including activities to improve aviation safety.

EU support in the sector has been provided under different modalities. The approximation of aviation legislation to the standards of the EU, for instance, was supported by an EU 'twinning' between the Georgian Civil Aviation Agency and the European Organization for the Safety of Air Navigation (EUROCONTROL). Other 'twinning' projects have supported, for instance, the railway sector of Georgia. Blending mechanisms and TAs have also been used to support the transport sector, including the TA for Georgia Transport Connectivity aimed at improving road networks.

Georgia has also received support through regional interventions in the transport sector and is party to several EU-sponsored regional arrangements; for example, Georgia is a party to the TRACECA Multilateral Agreement on International Transport for Development of the Europe – Caucasus - Asia Corridor and a partner country within the Black Sea Synergy.

Interviews confirmed the stated commitment of GoG to amend national transport sector regulations in line with international norms and to align with the EU acquis as facilitators of Georgia's aspirations for greater approximation to the EU and to become a regional transport-transit hub at the centre of East-West transit routes (Black Sea and Caspian Sea, and North-South - between Russia and Turkey). However, although such alignment and ambitions imply movement towards de-carbonisation of transport (and potentially 2050 carbon neutrality targets) there are not yet specific programmes for reduction of freight transport emissions (which could imply movement from road freight transport towards rail).

Evidence	
Overall assessment of quality and credibility of evidence	Evidence is assessed as Strong .

Sources of information	Evidence																		
<p>Delegation Agreement between EU and EIB in respect of the "Technical Assistance for Georgia Transport Connectivity-Phase 1" financed from the general budget of the European Union under the Neighbourhood Investment Platform ENI/2018/403-497</p>	<p>Road Transport Running from Red Bridge at the Azerbaijan border to Poti port on the Black Sea coast, about 390 km E60 East West Highway is part of the extended Trans European Transport Networks (TEN-T) and is a key transit route between Western Europe and Central Asia for transportation of oil and gas, as well as dry cargo. The extended TEN-T route is the shortest route between Europe, Caucasus and Central Asian countries through the Black Sea ports and it is an alternative to the north corridor running through the Russian Federation and Belarus and the southern corridor running through Turkey. This puts a particular onus on improving logistics and transport services within Georgia, but also cross border, along the extended TEN-T. The Georgian Government is committed to completing the E60 East West Highway and has in recent years accorded high priority to the upgrading of the corridor to international highway standards (dual 2 lane carriageway). It has opted to finance E60 East West Highway by using both its own budget and the significant support from International Financial Institutions and is strongly committed to the timely and full completion of the Project, as it is part of its Four Points Reform Agenda.</p> <p>Through the improved conditions of the E60-E70 East West Highway, Georgia is gradually achieving improvements in connectivity to global markets. As part of the Project, three Sub-Projects have been appraised by EIB (on E-60 and E- 70) financed by bank loan (with complementary EU grants) – construction works started in late 2018. Other projects financed by EIB and supported by EU grant funding under Georgia East West Highway I and Georgia East West Highway II projects have also been implemented along the East West Highway whilst EIB is financing additional Sub-Projects. The level of strategic East-West Road construction over the past decade is impressively high with European support including the following sections</p> <table border="1" data-bbox="501 619 1637 879"> <thead> <tr> <th>Project</th> <th>Implementation</th> <th>Financing</th> </tr> </thead> <tbody> <tr> <td>Samtradia – Grigoleti – Kobuleti</td> <td>05/2012-12/2020</td> <td>EU Grant €20 M EIB Loan €200 M</td> </tr> <tr> <td>Japama – Lanchkhuti</td> <td>-2020</td> <td>EIB €71.4 M</td> </tr> <tr> <td>Algeti – Sadakhlo Rustavi – Red Bridge</td> <td>-2023</td> <td>EIB €106.7 M</td> </tr> <tr> <td>Rikoti Pass</td> <td>-2024</td> <td></td> </tr> <tr> <td>5th E-W Highway Corridor imp. Project</td> <td></td> <td>WB USD 140</td> </tr> </tbody> </table> <p>A Delegation Agreement between EU and EIB covers TA for Georgia Transport Connectivity represents a third EIB intervention in the Georgia road sector. This project comprises 2 pillars, i.e:</p> <p>1) <u>Investment</u> Now construction/rehabilitation of 253km primary and secondary roads on E-W corridor or connecting roads as listed in priority projects for the period 2017-2020 under the Georgia National Transport Strategy. EIB loan finance of €500 M covers 3 sub-projects of total length 40 km.</p> <ul style="list-style-type: none"> • E70 Grigoleti/Kobuleti Bypass • E60 Ubisa/Sherapani F3 section • E60 Chumateleti/Khevi F1 section <p>Additional EIB loans are expected to cover a further 3 sub-projects totalling 87kms.</p> <ul style="list-style-type: none"> • Rustavi/Red Bridge section • Algeti/Sadakhlo section • Sagarejo section <p>The remaining 4 sub-projects are parallel financed by GoG and other IFIs (WB, ADB, JICA, AIIB) - €631 M.</p> <p>2. <u>Technical Assistance</u> 2A (€150000) – Feasibility and design studies including ESIA's 2B (€600000) – TA to road safety 2C (€5 M) – Project management TA for management of all EIB roads projects (as well as Georgia E-W Highway I and II) The project has an implementation period of 84 months (2016-2020).</p>	Project	Implementation	Financing	Samtradia – Grigoleti – Kobuleti	05/2012-12/2020	EU Grant €20 M EIB Loan €200 M	Japama – Lanchkhuti	-2020	EIB €71.4 M	Algeti – Sadakhlo Rustavi – Red Bridge	-2023	EIB €106.7 M	Rikoti Pass	-2024		5 th E-W Highway Corridor imp. Project		WB USD 140
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Rikoti Pass	-2024																		
5 th E-W Highway Corridor imp. Project		WB USD 140																	

<p>ENPI/2015/359-333 'Legal approximation of the Georgia Civil Aviation regulations with EU standards'</p>	<p>Aviation A twinning contract was established for 'Legal approximation of the Georgia Civil Aviation regulations with EU standards' ENPI/2015/359-333. The nominated training partners were:</p> <ul style="list-style-type: none"> • Georgian Civil Aviation Authority – GCAA • Austro Control GmbH (Austria) - ACG • Croatian Civil Aviation Agency - CCAA <p>Implementation period 27 months (15/06/2015 – 15/09/2017) – originally 21 months from arrival of Resident Training Advisor (RTA) with budget of €1229994.</p> <p><u>Overall Objective</u></p> <ul style="list-style-type: none"> • Strengthen the structure and capabilities of the Georgian Civil Aviation Agency (GCAA) in a sustainable manner. This shall allow the GCAA to adopt those European regulations and requirements, stemming from the Common Aviation Area Agreement between Georgia and the European Union and its Member States (CAA-A), also which are newly set in force or planned to be adopted. <p><u>Project Purpose</u></p> <ul style="list-style-type: none"> • Empower the structures and strength of the GCAA to allow it to ensure the effective implementation of the EU aviation legislation in accordance with the CAA-A • Identify all remaining EU aviation legislation for which the implementation has not been completed yet by Georgia in accordance with the CAA-A and develop/update a regulatory programme for such implementation • Enable the legislative system of Georgia to easily adopt and implement new and upcoming European aviation legislation as a matter of normal operation <p>Analysis of gaps between Georgian and EU regulations was completed with drafting of necessary changes to national regulations. Legal convergence of Georgian and EU regulations has begun and is planned to continue in line with a longer-term prioritised plan.</p> <p>Other relevant projects include:</p> <ul style="list-style-type: none"> • EU-Georgia Association Agreement – Nov 2013 • Common Aviation Area Agreement – Dec 2010. Obligation by Georgia to harmonise regulatory framework with EU standards with possibility of joining ECAA (European Common Aviation Area) • EU TRACECA Civil Aviation Project. Feb 2012/June 2015. Covered 9 countries including Georgia with support to sustainable development of civil aviation harmonised regulations in compliance with ICAO and EU regulations for security, ATM and environment • TRACEA/EASA Civil Aviation Security Project – March 2012/May 2015. Development of integrated approach to aviation policy. Limited resources for Georgia component. • Twinning project for harmonisation with EU norms of legislation and standards in field of civil aviation – April 2011/April 2013. Aimed at facilitating implementation of 2010 EU-Georgia Common Aviation Area Agreement. Not all planned results were achieved but reported to have beneficial impact upon recently established GCAA. • EU-Georgia ENP Action Plan – from Nov 2006. Priority Area 8 concerns reform in the energy and transport sectors. • NIP 2011-2013. Sub-priority 2.2 is defined as 'Sector-specific regulatory alignment and reforms in line with PCA/ENP AP Priorities' with the expected results defined as 'Integration within European aviation structures and harmonisation with EU aviation (transport) standards to realise the objective of a Common Aviation Area' and 'Improvement in aviation safety and security'. • CAA-NSA/Support to Georgia Civil Aviation Agency – Oct 2011. Support to GCAA in alignment of regulatory oversight activities with SES (Single European Sky) legislation • EASA Eastern Partnership /Central Asia Project (EaP/CA). Support in implementation of aviation agreements in EP countries and upgrading civil aviation safety and security standards in Central Asia – EN1/2014/350-586. Feb 2016/Feb 2020 - €5 M. Aims at upgrading regulations and working practices for compliance with international standards of safety and security.
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	Development and improvement of NSA (National Supervisory Authority) and resources and processes related to Air Navigation Services - Jan 2016/Jan 2019. Support to GCAA for implementation of ESE (Single European Sky) development, to NSA activities, ATM development and future integration into European ATM network.
C-421013 Support to approximation of Georgian legal and institutional framework to the Union Acquis in the field of railway transport	<p>Rail Transport</p> <p>A twinning contract has been established between the Polish Department of Railway Transport, Ministry of Infrastructure and Ministry of Economy and Sustainable Development of Georgia (Transport and Logistics Development Policy Department) on behalf of Georgian Railways LLC. Under project C-421013 dated Feb 2021 – Budget: €1.248 M.</p> <p>Project components include:</p> <ol style="list-style-type: none"> 1) national regulatory framework on railway transport reviewed and upgraded in accordance with the respective union acquis 2) Well organised nationally regulated market/sector established 3) Capacity of relevant rail authorities and other key stakeholders strengthened

I-8.2.2 Improvements in international transport linkages (Air, Maritime, Road, Rail)

Improved international linkages are a main objective of the major construction works on the E-60/E-70 East-West Corridor, which are expected to contribute significantly to Georgia's aim to be a regional transport and transit hub for the E-W (Black Sea – Caspian Sea) and N-S (Russia – Turkey) transport routes. The E-W highway is a sub-section of the CTC (Caucasus Transit Corridor) between Europe and Asia which in turn is part of the TRACECA international corridor (see also I-8.2.1 above).

EU support to the aviation and rail sectors has focussed on legal approximation to the EU acquis, which is expected to facilitate international air and rail transport linkages (and national inter-urban connections and services) although EU has not (yet) supported infrastructure investment in these sectors.

Overall, there is clear evidence of planned improvement in international transport linkages by way of approximation of national sector legislation with international norms and EU acquis and road infrastructure construction is underway. These activities should positively contribute to improved linkages but until completed, intended outcomes and impacts are not yet delivered.

Evidence	
Overall assessment of quality and credibility of evidence	Although limited information is available from documents scrutinised interviews confirm that expected improvements in international linkages are likely to be facilitated by support activities undertaken and in progress. However, given the delays in delivery of road construction contracts, outcomes are not confirmed.
Sources of information	Evidence
Delegation Agreement between EU and EIB in respect of the "Technical Assistance for Georgia Transport Connectivity-Phase 1" financed from the general budget of the European Union under the Neighbourhood Investment Platform ENI/2018/403-497	<p>Road Transport</p> <p>Improved international linkages are a principal aim of the major construction works on the E-60/E-70 detailed under I – 8.2.1 above which are expected to contribute to Georgia's aspiration to be a regional transport/transit hub at the centre of E-W (Black Sea/Caspian Sea) and N-S (Russia/Turkey) transit routes.</p> <p>The E-W Highway carries >60% of Georgia's foreign trade (import and export).</p>

The World Bank
Fourth East West Highway
Improvement Project
(P130413)

Transport sector development is essential for the achievement of sustainable economic growth, alleviation of poverty, achievement of the government's regional development strategy objectives and promotion of tourism. Georgia's geographical location positions the country at the center of East-West (Black Sea and Caspian Sea) and North-South (between Russia and Turkey) transit routes, and places it well to become a transit hub. Within this context the Georgian Government embarked on the development of the East-West Highway which can be described as a transformational initiative for the Georgian economy. The Highway is part of the Caucasus Transit Corridor (CTC) which is a key transit route between Western Europe and Central Asia for transportation of oil and gas as well as dry cargo. CTC is part of the international and regional corridor TRACECA. The TRACECA corridor is the shortest route between Europe and the Caucasus and Central Asian countries through the Black Sea ports. The East-West Highway corridor is one of the largest transport infrastructure programs in the country. The corridor stretches some 410 km connecting East to West across the country and cost over US\$ 2.0 billion to develop. It carries over 60 percent of the total Georgia foreign trade and is seen as a central piece in the Government's strategy of transforming Georgia into a transport and logistics hub for trade between Central Asia and the Far East on the one hand and Turkey and Europe on the other. In Georgia, the East-West Highway Corridor comprises: (i) the E-60 which runs from the border with Azerbaijan to Poti (East) and (ii) the E-70 which runs from Poti to Sarpi (border with Turkey). It represents a quarter of Georgia's international road network and accounts for 23 percent of vehicle utilization of Georgian roads. The improvement of the East West Highway Corridor will improve connectivity between the Caspian and Black Sea, lower the cost of transport and logistics and improve Georgia's ranking and connection to global markets. The Fourth East-West Highway Improvement Project (EWHIP-4) was the fourth Bank-financed project along this key corridor, which continues to be developed in phases.

The Different Phases of the EWH:

Item	Section (km)	Planned upgrading	External Partner	Status
1	Natakhtari to Aghaiani (16)	2-lane dual Carriageway	None	Completed
2	Aghaiani to Ruisi (50)	2-lane dual carriageway	WB	Completed
3	Ruisi to Agara (19)	2-lane dual carriageway	WB	Completed
4	Agara to Zemo Osiauri (12)	2-lane dual carriageway	WB (Subject project)	Completed
5	Zemo Osiauri to Zemo Osiauri-KM5.8 (6)	2-lane dual Carriageway	EIB	Completed
6	Zemo Osiauri- KM5.8 to Chumateleti/Rikoti (8)	2-lane dual carriageway	WB	Under construction
7	New Rikoti Tunnel (2)	Provide two additional lanes	WB + EIB	Under construction
8	Chumateleti to Argveta (54)	2-lane dual carriageway	WB + EIB	Under construction
9	Argveta to Samtredia inc. Kutaisi bypass (57)	2-lane dual carriageway to Kutaisi bypass then 2-lane c/w to Samtredia	ADB	Under construction
10	Samtredia to Grigoleti (51)	2-lane dual carriageway new construction and rehabilitation of 2-lane dual carriageway	EIB	Under construction
11	Choloki to Kobuleti bypass (33)	2-lane single carriageway	ADB	Under construction

I-8.2.3 Improvements in inter-urban road and rail connections and transport.

Effort in the road sector has focussed on upgrading of the E-W highway, which is expected to have a significant impact not only upon international transport linkages (see I-8.2.2 above), but also upon national inter-urban connections and transport and national connectivity and accessibility. Roads connecting to the improved E-W corridor have access to better quality transport services on this 'spine' route leading to reduced journey times and travel costs. However, contractual complications have delayed completion of the EIB/EU-financed contracts such that only limited outputs are yet delivered and outcomes, whilst expected to be delivered in due course, are not yet apparent. Also, the benefits of the improvements to the E-W highway will only be available when the entire road has been upgraded. There has been little or no movement towards de-carbonisation of transport (and potentially 2050 carbon neutrality targets) there are not yet specific programmes for reduction of freight transport emissions (which could imply movement from road freight transport towards rail). There has been little or no EU investment in rail infrastructure.

Evidence	
Overall assessment of quality and credibility of evidence	Only limited documentation has been examined on EU support to improved connectivity and services in the transport sector as regards improved national inter-urban connectivity
Sources of information	Evidence
Technical Assistance for Georgia Transport Connectivity– Phase 1” financed from the general budget of the European Union under the Neighbourhood Investment Platform ENI/2018/403497	<p>Road Transport</p> <p>Georgia's road network is approximately 20327 km – 1603 km main roads, 5298 km secondary roads and 13426 local and feeder roads. The national priority has focussed on the E-W corridor (see I – 8.2.1 and I – 8.2.2 above) but other network issues remain such that increased spending to upgrade capacity in response to increased transport demand has risen from 2% of annual GDP (2012-2016) to 5% of GDP in 2019. However, the initiative has exposed institutional capacity challenges to implement such an expanded programme (and maintain the uprated networks). Road safety has also been an increasing problem due to increasing traffic (and speeds) together with poor condition of many secondary and local roads with road accident deaths at 13.9/100000 (2017) more than double the EU average.</p> <p>The Ministry of Regional Development and Infrastructure is responsible for road sector policy and planning. The Georgia Roads Department manages main and secondary roads while municipalities are responsible for local roads. The Ministry of Economy and Sustainable Development is responsible for road safety strategy and awareness campaigns and the Ministry of Internal Affairs is responsible for police enforcement of road traffic regulations.</p>

I-8.2.4 Innovative tools (e.g., blending) effectively used to leverage ENI support for sustainable transport development.

The modalities and thematic areas of support show that support to the aviation and rail sectors has involved 'twinning' mainly aimed at legal approximation of Georgia with the EU acquis and compliance with international norms for these sectors. In contrast to the roads sector there has been no EU investment in infrastructure provision in these sectors.

Investment needs of transport infrastructure are highly capital intensive – the project costs detailed in the EU-EIB Delegation Agreement total €1137M (EIB - €500M; other IFIs - €631M; EU grant element - €5.9M). The claimed 'leverage' (ratio of total project value to grant element) as set out in Delegation Agreement 'Description of the Action' is 192.7.

There is no involvement of the private sector in financing these road sector projects.

Other than financial leverage¹¹⁶, added value and impact of EU interventions is claimed in project documentation without being further articulated although it is expected that communication activities will highlight such added value to relevant target audiences.

Evidence	
Overall assessment of quality and credibility of evidence	Evidence for this indicator is assessed as Weak . Only limited information available from documents scrutinised (e.g. no access to feasibility studies, ESAs and economic analysis) although issues discussed with stakeholders and project during the field phase
Sources of information	Evidence
Delegation Agreement between EU and EIB in respect of the "Technical Assistance for Georgia Transport Connectivity-Phase 1" financed from the general budget of the European Union under the Neighbourhood Investment Platform ENI/2018/403-497	<p>Road Transport</p> <p>The Delegation Agreement project described in I – 8.2.1 above can be described as a type of blending project (although the grant element of €5.9 M [i.e., TA - €5.75 M; other activities (communication, audit) €0.15 M] is predominantly TA and does not include other modalities (such as interest rate subsidy, investment grant, etc).</p> <p>The 'Description of Action' for this Delegation Agreement (4. Financial leverage of EU contribution) claims a leverage of 192.7 on EU contribution. There are no indications of private sector involvement in project financing and no documentation on economic analysis and justification of capital investment in selected roads sections has been scrutinised by the evaluation.</p>

JC8.3 Strengthened environmental governance and actions

Strengthened environmental governance and actions.

I-8.3.1 Improved legal basis for environmental sector governance (GHG emissions, biodiversity, forestry management, municipal WASH and waste management, air and water pollution, forestry management, etc.), including meaningful public/CSO participation.

The modalities and thematic areas of support show that emphasis has been placed on Waste Management and Water Supply, and on Climate Mitigation. These thematic support areas, whilst creating a good legal and policy framework for management of the environment sector, also allow the development and implementation of investment projects to upgrade decrepit infrastructure in water supply, wastewater treatment and public buildings.

The development of the policy and legal framework accelerated following the signing of the Association Agreement (drafted in 2014 and coming into force in 2016) and accession to the Energy Community Treaty 2017. In 2017 the EU-Georgia Association Council provided revisions of the EU-Georgia Association Agenda which updated and refocused the 2014-2016 Association Agenda and set new priorities for joint work for the period 2017-2020 identifying priorities of the Association Agenda including, in the field of energy and energy efficiency (supporting commitments under the Energy Community including energy efficiency)d environment and climate change (enhancing approximation with the EU environmental acquis in environmental governance by adopting and implementing new legislation on environmental impact assessment, strategic environmental assessment, on environmental liability, by ensuring public access to environmental information and public participation in decision-making, by involving all interested stakeholders, as well as by integrating environment into other policy areas and by improving environmental information sharing. A major achievement has been preparation and enactment of Laws on Energy Efficiency and Energy Performance of Buildings, which form an essential

¹¹⁶ Interviews with EUD during the field phase on issues of leverage confirmed the variations in leverage between sectors, the degree of project/concept innovation or maturity and that the concept of leverage as a comparison metric is considered to be useful in promoting optimum use of limited EU funding.

component of climate mitigation, as 40% of all energy consumption in Georgia is in buildings. Georgia is progressing in the legal EU approximation process for the environment and climate action under the AA. The annual monitoring and reporting procedures of these two processes are an important part of the policy dialogue contributes to identifying progress and the next steps required.

The main components of EU assistance are policy dialogue, budget support accompanied by projects, including blending of grants and loans and a growing recourse to indirect management with development agencies. About 90% of EU assistance is channelled through direct management mode.¹¹⁷ EU projects have followed EU visibility guidelines. EU representatives have participated at key events and mainstream media campaigns¹¹⁸ on environmental issues have been undertaken by EUD. Results-orientated monitoring and evaluation is gradually improving at national level. The expected level of scheduled resources the projects will be able to use before the end of the project (overall performance) is within benchmarks.

The 2014 AA, revised AA agenda and the aligned National Action Plans contain several commitments in the area of environment and climate change, including the full implementation of the already-existing National Environment Action Plan 2012-2016. Georgia has also made commitments under the Energy Community Treaty to reduce CO2 emissions and to reduce air pollution, submitting its first Intended National Defined Commitment (INDC) in 2015 in support of its commitment to the Paris Agreement. During the period under review, Georgia has adopted its 3rd National Environment Action Programme (2017-2021) in May 2018. Regarding climate action, Georgia is yet to adopt some measures committed to under the Paris Agreement. Nonetheless, Georgia's institutional set up has been enhanced with the creation of the Climate Change Council and legislation on fluorinated gasses has been adopted.

Bilateral assistance on environmental governance has been more prominent in volume than for climate change issues and has included interventions promoting social engagement through civil society, such as the Georgia Climate Action Project (GEO-CAP) and the Climate Forum East. Interviews (with project stakeholders and implementation partners) during the field phase confirmed the importance has been recognised of sensitisation, consultation, public participation and mobilisation of public opinion (and business and government) as to the potential risks, challenges and responses to climate change as issues for combatting climate change and in contributing to strengthened environmental governance and actions. EU support under GEO-CAP aims at strengthening the role (and voice) of (especially) national CSOs in tackling CC and increasing public participation and awareness of the general public (and decision makers) of CC issues including demonstrated benefits of innovative (demonstration) projects on water supply contributing to CC mitigation, protection of health and the environment by offering financial and capacity building support to 3rd parties. However, expected results have yet to be realised to any great extent. The projects supporting solid waste management (c-403777 Georgia Hazardous Waste and C-330133 Integrated Solid Water Management in Southern Caucasus) have both suffered considerable implementation delays due to issues of public participation and consultation¹¹⁹ (which have not been facilitated by the effects of COVID restrictions) also associated with the introduction of a new ESIA and permitting procedure at the end of 2017 when a new Environmental Assessment Code (EAC) came into force in Georgia, fully harmonised with the EU Directive 2001/42/EC on Strategic Environmental Assessment (SEA Directive) and Directive 2011/92/EU¹²⁰.

¹¹⁷ In **direct management**, the European Commission is directly responsible for all steps in a programme's implementation: launching the calls for proposals, evaluating submitted proposals, signing grant agreements, monitoring project implementation, assessing the results, making payments. These tasks are carried out by the Commission's departments, at its headquarters, in the EU delegations or through EU executive agencies; there are no third parties. Programmes implemented in direct management account for around 20% of the EU budget 2021-2027.

Some funding programmes are partly or fully implemented with the support of entities, e.g. national authorities or international organisations. The majority of the EU budget allocated to humanitarian aid and international development, for instance, is implemented under **indirect management**. Under this management mode, the Commission delegates budget execution tasks to different types of implementing partners, for example: Third countries or the bodies they have designated; International organisations such as the United Nations (UN) family, the World bank, the International Monetary Fund (IMF); the European Investment Bank (EIB) and the European Investment Fund (EIF); Decentralised agencies such as the European Centre for Disease Prevention and Control (ECDC), the European Food Safety Authority (EFSA) or the European Border and Coast Guard Agency (Frontex); Public-private partnerships, including Joint Undertakings such as Initiative on Innovative Medicines, Shift2Rail, European High Performance Computing (EuroHPC); Member States Bodies such as Erasmus+ national agencies, Member States' development agencies, National Promotional Banks

¹¹⁸ The participation and engagement of EUD in such events was confirmed during field phase interviews with various partners.

¹¹⁹ However, field phase interviews suggested that such consultations were not always as effective as was hoped due to unfamiliarity with such consultation processes although there is also Although there is an element of NIMBY-ism (NIMBY 'not in my back yard') in reluctance to accept siting of certain infrastructure facilities nearby

¹²⁰ Interviews during the field phase reveal that whilst there is consensus that the alignment of Georgian legislation with EU norms is a necessary change which brings longer term benefits for Georgia (and the environment) for which there is general support from the Georgian population and decision makers. However, among implementers there are some reservations that the rate of such change may be '*too hard/far too fast*' resulting in not only project implementation complications but also problems of national capacity (and costs) for full implementation of such standards which could erode national support for such approximation (and strong pro-EU sentiments)

At regional level, the EU is also providing support through the four-year regional flagship programme EU4Climate (2018-2022) and the regional EU4Environment Programme (2019-2022) as well as through the Energy Community Secretariat. With this support Georgia submitted a revised NDC in May 2021, including the Climate Change Strategy and Action Plan to 2030.

Evidence										
Overall assessment of quality and credibility of evidence	Overall, the quality and credibility of evidence is considered to be Strong.									
Sources of information	Evidence									
National policy and legal framework	<p>As regards specific reference to 'improved legal basis for environmental sector governance' EU and national policies and strategies relating to EU-Georgia cooperation in the evaluation review period include: <i>Main Environment and Climate Change policies and laws before/during the period under review</i></p> <table border="1"> <thead> <tr> <th>Sector</th> <th>Pre-2014</th> <th>Post-2014</th> </tr> </thead> <tbody> <tr> <td>Legal framework</td> <td> 1994: Law No. 490-IIS on Soil Protection 1996: Law No. 519-IS on Environmental Protection; Air Code No. 462-IS; Law No. 540-RS on Wildlife; Law No. 136-IIS on System of Protected Areas 1999: Law No. 2116-IIS on Ambient Air Protection 2003: Law No. 2260-IIS on Soil Conservation and Restoration-Improvement of Soil Fertility; Law No. 2356-IIS on "Red List" and "Red Book" 2005: Decree on diesel fuel consumption norms, analysis methods and their introduction 2010: Law No. 3345-RS on Management of Forest Fund </td> <td> 2014: Waste Management Code of Georgia No. 2994-RS 2015: Law of Georgia Waste Management Code 2017: Law on Environmental Assessment Code; Rules on land-based fuels 2018: Law No. 5486-IIS on Status of Protected Areas 2019: Law on Energy and Water Supply; Law on Energy Labelling; Law on Promoting the Production and Use of Energy from Renewable Sources 2020: Law on Energy Efficiency; Law on Energy Performance of Buildings; Forest Code No. 5949-SS </td> </tr> <tr> <td>Policy framework</td> <td> 2003: First National Action Programme to Combat Desertification 2005: National Biodiversity Strategy and Action Plan of Georgia 2011: Persistent Organic Pollutants National Implementation Plan of Georgia 2012: Second National Environmental Action Programme of Georgia 2012-2016 </td> <td> 2014: Second National Action Programme to Combat Desertification; National Biodiversity Strategy and Action Plan of Georgia 2014 – 2020; Regional Development Programme of Georgia 2015-2017; National Forest Concept for Georgia. 2015: Policy Planning System Reform Strategy 2015-2017; Strategy for Agricultural Development in Georgia 2015-2020; Waste management Strategy and Action Plan 2016: Rural Development Strategy 2017-2020 2017: National Disaster Risk Reduction Strategy of Georgia 2017-2020 and its Action Plan </td> </tr> </tbody> </table>	Sector	Pre-2014	Post-2014	Legal framework	1994: Law No. 490-IIS on Soil Protection 1996: Law No. 519-IS on Environmental Protection; Air Code No. 462-IS; Law No. 540-RS on Wildlife; Law No. 136-IIS on System of Protected Areas 1999: Law No. 2116-IIS on Ambient Air Protection 2003: Law No. 2260-IIS on Soil Conservation and Restoration-Improvement of Soil Fertility; Law No. 2356-IIS on "Red List" and "Red Book" 2005: Decree on diesel fuel consumption norms, analysis methods and their introduction 2010: Law No. 3345-RS on Management of Forest Fund	2014: Waste Management Code of Georgia No. 2994-RS 2015: Law of Georgia Waste Management Code 2017: Law on Environmental Assessment Code; Rules on land-based fuels 2018: Law No. 5486-IIS on Status of Protected Areas 2019: Law on Energy and Water Supply; Law on Energy Labelling; Law on Promoting the Production and Use of Energy from Renewable Sources 2020: Law on Energy Efficiency; Law on Energy Performance of Buildings; Forest Code No. 5949-SS	Policy framework	2003: First National Action Programme to Combat Desertification 2005: National Biodiversity Strategy and Action Plan of Georgia 2011: Persistent Organic Pollutants National Implementation Plan of Georgia 2012: Second National Environmental Action Programme of Georgia 2012-2016	2014: Second National Action Programme to Combat Desertification; National Biodiversity Strategy and Action Plan of Georgia 2014 – 2020; Regional Development Programme of Georgia 2015-2017; National Forest Concept for Georgia. 2015: Policy Planning System Reform Strategy 2015-2017; Strategy for Agricultural Development in Georgia 2015-2020; Waste management Strategy and Action Plan 2016: Rural Development Strategy 2017-2020 2017: National Disaster Risk Reduction Strategy of Georgia 2017-2020 and its Action Plan
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		<p>2018: Third National Environmental Action Programme of Georgia 2017-2021; Regional Development Programme of Georgia 2018-2021; National Energy Efficiency Action Plan (NEEAP) (2019–2020)</p> <p>2019: National Energy Efficiency Action Plan; National Strategy for the Development of Official Statistics of Georgia 2020-2023</p> <p>2020: Secondary act introducing a feed-in premium (FiP) for hydropower plants with installed capacity higher than 5 MW State Firewood Program and Action Plan</p>	
	UNFCCC process	<p>1999: First National Communication</p> <p>2009: Second National Communication</p> <p>2010: Cancun Pledge pre-2020 Target</p>	<p>2015: Intended Nationally Determined Contribution (INDC) Submission</p> <p>2016: Third National Communication; First Biennial Update Report</p> <p>2017: First NDC</p> <p>2019: Second Biennial Update Report</p>
<i>Source: Grantham Research Institute on CC & the Env.; Climate Watch, Georgia; Energy Community, Georgia; FAO, Georgia.</i>			
Single Support Framework for EU Support to Georgia (2017-2020)	The Single Support Framework for EU Support to Georgia (2017-2020) allocates 15% of the total spending on Sector 3: connectivity, energy efficiency, environment and climate change. The analysis of the provided support show that the interventions were focusing on climate change mitigation and environmental quality. In the environment sector much of the TA has been organised to put in place the legal and policy framework needed in significant areas of pollution and destruction of the natural environment (e.g. Hazardous Waste Planning, Water and Sanitation, Waste Management).		
EU4 Environment	EU4 Environment supports the development of a green economy in Georgia. It is helping Georgia to facilitate national policy dialogues on green economy, further legal reforms on Strategic Environmental Assessment (SEA) and Environmental Impact Assessment (EIA) laws, promote the introduction of Resource Efficient and Cleaner Production (RECP) practices in SMEs, provide advisory services to establish Sustainable Public Procurement (SPP) and eco-labelling policies, develop waste management strategy, identify priority environmental sectors for policy reform, support public environmental expenditure management, contribute to green innovation in SMEs, strengthen capacities for the establishment of Extended Producers Responsibility Schemes, promote compliance assurance, assess and reinforce administrative capacity of the governmental institutions for improved environmental management and develop Green Growth indicators (GGIs).		
2019 Georgia Progress Report	<ul style="list-style-type: none"> - Despite its low level of emissions per capita, Georgia still lacks a legal framework on climate change, defining institutional mandates and coordination and implementing the commitments under the various strategies and plans currently in preparation. - On environment, Georgia adopted its 3rd National Environment Action Programme (2017-2021) in May 2018, which represents the country's main strategic document in the field of environment and natural resources protection and defines the long-term priorities and plans for the sector. Georgia is progressing in the legal approximation process for environment and climate action under the AA. - Georgia still lacks an energy efficiency policy framework, several donor-led actions have been implemented in cooperation with the Government, including the drafting of the first National Energy Efficiency Action Plan. Building the legal and institutional framework enabling energy efficiency investments in the country is of the utmost importance for implementing and promoting energy efficiency in the building sector, which is one of Georgia's commitments within the AA and the Energy Community Treaty accession protocol. 		
Law on Energy and Water Supply	The adoption of the Law on Energy and Water Supply compliant with the Third Energy Package at the end of 2019 paved the way for the liberalization of the electricity and gas markets in the country. The Law provides the legal basis for unbundling of the transmissions and the distribution systems in both sectors, as well as for market opening at both wholesale and retail level.		

<p>German Cooperation with European Neighbourhood and Integrated Management in the Caucasus (Number ENPI/2013/330-133) Annual Report 2020</p>	<p>Financial Union Investment Platform (NIP) Solid Waste Management in the Southern Caucasus (Number ENPI/2013/330-133)</p> <p>Stakeholder Engagement and Public Participation The identification of a new site requires the conduction of a new ESIA and permitting procedure. End of 2017, a new Environmental Assessment Code (EAC) came into force in Georgia, fully harmonised with the EU Directive 2001/42/EC on Strategic Environmental Assessment (SEA Directive) and Directive 2011/92/EU on the assessment of the effects of certain public and private projects on the environment (EIA directive).</p> <p>The Georgian EAC divides the EIA process in two stages: Starting with a Scoping Phase, in which the activity and its main environmental impacts needs to be described that determine the content of the following EIA Phase, in which the environmental impacts must be analysed in detail and all preventive and mitigation measures need to be detailed. Both the Scoping and EIA require that alternatives for the main activity must be analysed. Public discussions about these alternatives are not explicitly mentioned in the EAC, although a public review of the Scoping Report and EIA that both include the analysis of alternatives is required. The KfW "Sustainability Guidelines" are more explicit about public participation and state: "Stakeholder Engagement e.g. in form of public hearings are to be scheduled for the scoping phase of the ESIA".</p> <p>Already in 2019, the AMC, supported by the IC, prepared a site selection strategy to address the "alternatives" analysis combined with an intensive engagement of the public. In this new "Stakeholder Engagement and Public Participation" (SEPP) approach, which should start during the Scoping Phase, the public will be informed in detail about the planned activity, including a presentation of a shortlist of 2 - 3 technical feasible sites, the public will be invited to present opinions, relevant local social-economic and cultural-historic aspects of the shortlisted sites and next, will to some extent be involved in the final discussions and decision-making process. The final site selection decision remains of course with the SWMCG.</p> <p>In February 2020, a joint workshop with participation of MRDI, MEPA, SWMCG, all consultants working on the regional landfill projects, the EU delegation, KfW and the EBRD were held to present and discuss the new "Stakeholder Engagement and Public Participation" approach. All participants agreed that this was a sensible way forward and endorsed the main principle: to inform – invite – involve the public during the site selection process as part of the Scoping. Modifications based on the local characteristics of the region and sites shortlisted might be required. Subsequently such local characteristics for the Kutaisi project were discussed among SWMCG, KfW, IC and AMC and agreed.</p> <p>In March 2020, the SWMCG, in consultations with the AMC and KfW, submitted a request to the EU to shift part of the workload and planned activities of the AMC from support for separate collection (see also the next topic) to support for stakeholder engagement. This was approved by the EU and should lead to a situation in which the new "Stakeholder Engagement and Public Participation" approach will become a common practise in Georgia which will be applied for all upcoming projects to be implemented in the sector.</p> <p>During May and June 2020, the AMC outlined the process once more in a further update of the "Stakeholder Engagement and Public Participation" and assisted the SWMG and the AMC and IC of the Samegrelo and Kakheti project with the development of a SEPP for their respective sites. The regional landfill for the Samegrelo and Zemo Svaneti Regions is projected to be built on the area of an existing landfill, in line with the Feasibility Study for these regions and confirmed by a further review of alternative sites. The construction on the area of an existing will actual significantly reduce the environmental impact of that existing landfill. The Scoping report was submitted in June, a public review conducted in June and approval of the Scoping Report by MEPA of the Scoping report received in July. Beside preparatory work tasks, SWMCG did not start the actual implementation activities of the SEPP for the identified sites in Kakheti and Imereti in the reporting period.</p> <p>The social acceptance of waste management facilities remains crucial and requires intensive follow up and support measures by the consultants. The revised approach for stakeholder engagement and public participation prepared by the consultants in close cooperation with the SWMCG to this end. The SWMCG insists that political adoption by MRDI is required prior to implementation. In line with the decision of the EU to shift workload and tasks, as long as MRDI has not adopted the SEPP approach for the Kutaisi project, the AMC can only provide generic support to the SWMCG for the SEPP.</p> <p>Interviews with SWMCG during the field phase noted the following points:</p> <ul style="list-style-type: none"> • The project started before SWMCG was established • The Feasibility Study dates from 2013 (predating changes in national environmental regulations) but there was no stakeholder consultation at that time over the proposed location of 3 waste disposal sites • The vital importance of awareness campaigns and public consultation was stressed (water supply is perceived as a service, waste disposal is not) – this aspect was not given enough emphasis in project design • Consultancy services considered generally acceptable • Institutional capacity will require support for implementation (needs assessment)
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	<ul style="list-style-type: none"> • Doubt expressed that SWMCG will achieve the performance indicator target of at least 60% cost recovery through revenues from gate fees by 2023. Although the municipalities have developed tariff settings and systems for eventual cost recovery, the decision will be taken by the MRDI – there is doubt that the municipalities will be able to pay the gate fees • SWMCG has plans for additional landfills and has been in negotiation with EBRD, KfW and SIDA (but not EU) ie 2024 n°2, 2025 n°s 3 & 4, 2030 >6 • EU perceived as offering added value
<p>C-382617 Investment Support to the Kutaisi Waste Water Project (KWWP)</p>	<p>Extract from Executive Summary – ROM Report 18/11/2021</p> <p>The Project consists of the following three components in its area (Kutaisi and surroundings): 1) Wastewater collection and treatment in Kutaisi with the construction of the wastewater collection network and pumping stations, wastewater treatment plant (WWTP), all this financed through an EIB loan; 2) Water supply in its area (financed by the Asian Development Bank -ADB- loan); 3) Technical Assistance (TA): This component of the Project includes design and construction supervision services ancillary to the part 1 of the Project.</p> <p>Relevance: The intervention constitutes a relevant response to the current needs of water users in the target area. The project fully supports the EU/Georgian Action Plans. However, since 2017, difficulties occurred because of changes of responsibilities within the promoter, the United Water Supply Company of Georgia (UWSCG), and several inconsistencies or unfavourable prioritisation of the part financed by the EIB, tendering of this project delayed due to poor design quality at that time. This led to a weak commitment to the component 1 of the project financed by the EIB up to the year 2020. Things have changed recently very positively. The coordination with the donors through regularly information exchanges, is not really organised, especially with regard to measures aiming at supporting the UWSCG to support the strengthening of the company. The additionality of the EU is very relative, even small in proportion to the project. No structured form of steering committee was set-up in this project, leaving the possibility of delaying many decisions. Donors involved work informally, on demand and as needed.</p> <p>Efficiency: The Project suffers very important delays because of several difficulties partially external, affecting the timing and expected results, including, long preparation and tendering process, very slow structuring of the Project Implementation Unit (PIU) until 2021 and the Covid-19. Overall, the Project suffers almost 4.5 years delays from 2017 to mid-2021 and Component 1 is still in the design phase.</p> <p>Effectiveness: As none of the outputs had been delivered by the time of this ROM review, none of the outcomes are completed. Main achievements are connected with the preparatory phase: the PIU is at last set up after almost five years, service contract awarded and the inception report produced. A new and skilled consultant team is on track with expected results in May 2022 for the redesigning and a probable start of the onstruction of the WWTP one year later (May 2023).</p> <p>Sustainability: It is too early to be able to assess the sustainability of the investments. However, water availability should mechanically increase, as the number of people with access to improved water sources, the component 2 of the project being well on track. The most important outstanding issue is the treatment of wastewater. It will be a success for the project to rehabilitate and extend large parts of the network as a success to set up the WWTP and make it work properly. The wastewater treatment should mitigate pollution caused by human activities. It is necessary to wait five years until 2026 before seeing if the expected benefits really occur.</p> <p>Cross-cutting issues and communication: This program fits perfectly into the global efforts made by the EU to fight against the effects of climate change. The policy of visibility cannot yet be analysed.</p> <p>The main findings are: a) The relevance of the objectives of the project, because Georgia is facing high water losses in the existing water systems and poor waste water treatment; b) The governance of the project was not sufficiently planned. This probably allowed the promoter that had no pressure on the path of the component 1 to select its own priorities and wait for the waste water part of the investments; c) The programme suffers almost 4.5 years delays from 2017 to mid-2021. There remain unclarities with regard to the design of component 1 which still is in the initial stages, about the global amount of necessary financing; d) There are signs that UWSCG does not have enough skilled human resources for all its projects. The coordination with the donors through regularly information exchanges is not really organised, especially with regard to measures aiming at supporting the strengthening of the UWSCG; e) The objective of the project should be reached only 3.5 years later than the current project completion date, likely to result in an addendum to the Delegation Agreement.</p> <p>The recommendations are: 1) Sign a new addendum to the Delegation Agreement (DA) in the second part of 2022, when the deadlines for preparation and tender phases are better defined, extending by at least 3.5 years the implementation to ensure the achievement of component 1; 2) Implement more regular monitoring (through the settling of a steering committee meeting every six months) to allow the EU to better follow and understand the</p>

	evolution of the project, possible bottlenecks and the general schedule, and systematically involve the EU in monitoring missions; 3) Improve active cooperation between all parties involved, particularly the main donors involved (EIB, ADB, AFD) to analyse what would be the current weaknesses of the UWSCG to manage all its donors' financed projects, to distribute the support in terms of technical capacities to avoid any overlapping, and thus to prepare a good maintenance of the investments.
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I-8.3.2 Environmental Impact Assessments produced and incorporated into policymaking.

Georgia's Environmental Assessment Code came into force in 2018 including secondary legislation relating to implementation of the code (including EIAs) fully harmonised with the EU Directive 2001/42/EC on Strategic Environmental Assessment (SEA Directive) and Directive 2011/92/EU. However, as highlighted in GEO-CAP there is a lack of awareness of the requirements and implications of the code and low capacities (and understanding) of local institutions, CSOs and the public. This results in Economic and Social Impact Assessments not being consistently undertaken for planned infrastructure projects, and results in limited public participation in environmental decision making¹²¹.

EU-Georgia cooperation (e.g., Revised Agenda on the EU-Georgia Association Agreement 2017-2020, EU+ Joint Approach to Programming in Georgia) prioritises approximation with EU environmental governance, which involves enactment and enforcement of legislation on EIA, SEA, environmental liability, public access to environmental information and public participation in environmental decision making.

Regional programme support includes EU4Environment, which aims at further legal reforms on SEA and EIA legislation.

Evidence	
Overall assessment of quality and credibility of evidence	Evidence is assessed as Strong and is considered to be credible and of good quality. Interviews during the field phase included discussion of the degree to which ESIA are undertaken in Georgia with specific reference to ESIA coverage of EU-financed infrastructure projects (energy, WATSAN, roads) And application of the public consultation requirements of the 2018 EAC.
Sources of information	Evidence
EU4 Environment	EU4 Environment supports the development of a green economy in Georgia. It is helping Georgia to facilitate national policy dialogues on green economy, further legal reforms on Strategic Environmental Assessment (SEA) and Environmental Impact Assessment (EIA) laws, promote the introduction of Resource Efficient and Cleaner Production (RECP) practices in SMEs, provide advisory services to establish Sustainable Public Procurement (SPP) and eco-labelling policies, develop waste management strategy, identify priority environmental sectors for policy reform, support public environmental expenditure management, contribute to green innovation in SMEs, strengthen capacities for the establishment of Extended Producers Responsibility schemes, promote compliance assurance, assess and reinforce administrative capacity of the governmental institutions for improved environmental management and develop Green Growth Indicators (GGIs).
SWD (2017) 371 Association Implementation Report on Georgia.	On environment, Georgia is progressing in the legal approximation process under the Association Agreement. In June 2017, Georgia adopted a new Environmental Assessment Code to regulate project procedures by means of Environmental Impact and Strategic Environmental Assessments (EIA and SEA), which will ensure public access to environmental information and public participation.
EU-Georgia Agenda which updates and refocus the 2014-2016 Association Agenda	In 2017 the EU-Georgia Association Council provided revisions of the EU-Georgia Agenda which update and refocus the 2014-2016 Association Agenda and sent new priorities for joint work for the period 2017-2020. It identifies priorities of the Association Agenda, among others, in the field of energy and energy efficiency and environment and climate change (enhancing approximation with the EU environmental acquis in environmental governance by adopting and implementing new legislation on environmental impact assessment, strategic environmental assessment, ,on

¹²¹ Although it is accepted that ESIA are impossible to adequately undertake remotely (due to COVID restrictions)

	environmental liability, by ensuring public access to environmental information and public participation in decision-making, by involving all interested stakeholders, as well as by integrating environment into other policy areas and by improving environmental information sharing. Finalise a Low Emission Development Strategy. Start implementation of the new global agreement on climate change (the Paris Agreement).
Revised Agenda on the EU-Georgia Association Agenda (2017-2020)	<p>The Revised Agenda on the EU-Georgia Association Agenda (2017-2020) presents environment and climate change objectives under the priority on connectivity, energy efficiency, climate action and civil protection. In the field of environment, the Parties will cooperate with the aim to fulfil short-term priorities e.g. adoption of the 3rd National Environmental Action Programme of Georgia (2017-2021) and medium-term e.g. implementing the National Waste Management Strategy and measures need to enhance approximation with the EU environmental acquis in environmental governance by environmental assessment, on environmental liability; by ensuring public access to environmental information and public participation in decision-making, by involving all interested stakeholders, as well as by integrating environment into other policy areas and by improving environmental information sharing.</p> <p>Short-term priorities include Enhance environmental governance by adopting and implementing new legislation in Georgia on environmental liability, by ensuring public access to environmental information and public participation in decision-making, by involving all interested stakeholders, as well as by integrating environment into other policy areas and by improving environmental information sharing in line with the principles of the Shared Environmental Information System (SEIS).</p>
EU+ Joint Approach to Programming in Georgia	<p>The EU+ Joint Approach to Programming in Georgia is a response to the EU Heads of Mission and Switzerland to Georgia (EU+) to have a joint programme in place for the 2017-2020 period to both better coordinate their aid and to improve the efficiencies and effectiveness of programming. The Joint Strategy is structured along the Government's six thematic sectors which are presented as sector fiches setting out joint analysis of development gaps and reform bottlenecks, common goals for EU+ assistance in the respective areas and area where there is particular interest and potential for coordinated policy dialogue. These areas include, among others, sustainable and inclusive growth and sustainable use of human resources with environmental impact assessment legislation and energy efficiency.</p>
Georgia's Environmental Assessment Code	Georgia's Environmental Assessment Code is in force since January 2018. It complies with the provisions of the Directives on environmental impact assessments and strategic environmental assessments. Secondary legislation related to the implementation of the Environmental Assessment Code were also adopted. Draft amendments to the Environmental Assessment Code, aimed at improving procedural issues, were prepared during the latest reporting period.
German Financial Cooperation with Georgia European Union Neighbourhood Investment Platform (NIP) Integrated Solid Waste Management in the Southern Caucasus (Number ENPI/2013/330-133)	See I-8.3.2 above
C-421207 GEO-CAP	Under C-421207 GEO-CAP the low capacities of local community institutions and CSOs (in the target regions) with lack of public participation in decision making process as well as a lack of EIAs for planned projects. The project aims to address this issue and undertake capacity building (see also 8.3.1 above)

I-8.3.3 Innovative tools (e.g., blending) effectively used to leverage ENI support for urban WASH, waste management, utilities, and pollution reduction.

Water, sanitation and waste management remain challenges, with issues of low water quality and water cuts continuing to affect access to and supply of potable water. Surface water is polluted by untreated wastewater from domestic users and industrial sectors, unsanitary landfills, illegal dumpsites and agricultural activities.

The modalities and thematic areas of support show emphasis has been placed on Waste Management and Water Supply (and on CC mitigation). The main tools to implement EU sector support have been policy dialogue and budget support, which whilst creating a good legal and policy framework for management of the environment sector also allow the development of investment projects (including blending of grants and loans) to upgrade infrastructure promoting improvements in management of Water and Wastewater Treatment (and Public Buildings). There is also a growing recourse to indirect management with development agencies. A further innovative approach (in the Georgia water sector, although much used worldwide) is the introduction of DBOT (Design, build operate and transfer) in water sector infrastructure provision which seeks to maximise operationalisation and sustainability prospects by operating the delivered infrastructure for a number of years after completion before handover to the utility company.

However, investment needs of WATSAN infrastructure are highly capital intensive (project costs vary between €37M (hazardous waste treatment) to €60M and €87M for water supply and sanitation projects which involve a 'blend' of loans and grants. The claimed 'leverage' (ratio of total project value to grant element) as set out in 'Descriptions of the Action' for the various WATSAN projects varies between 4.5 and 9 (see also i-2.1.3 above).

From interviews during the field phase and from documentation scrutinised it is understood that investments in water supply and wastewater systems are considered not to be financially feasible without grant support or subsidisation of operations (although it is confirmed that such projects have undoubted socio-economic, rather than financial benefits). There has been understandable reluctance to pay (even the existing very low tariffs) for poor water supply and wastewater disposal services and most new projects include provision for installation of meters to all customers. However, although assumptions have been made for ambitious increases in tariffs¹²², it has been estimated that grants would still be required even should these significant tariff increases go ahead (which is by no means assured).

Other than financial leverage, added value and impact of EU interventions is claimed in project documentation without being further articulated, although it is expected that communication activities will highlight such added value to relevant target audiences.

Evidence	
Overall assessment of quality and credibility of evidence	As per above (I-8.3.2 Environmental Impact Assessments produced and incorporated into policymaking)
Sources of information	Evidence

JC8.4 Increased actions combatting climate change

Increased actions combatting climate change

I-8.4.1 Commitments to Paris Agreement made and updated (NDCs and NAMAs).

Review of documentation shows a good alignment of EU support with Georgia's policies and CC objectives are clearly spelled out in the key strategic documents of the ENI and EaP. The importance of CC is further strengthened by EaP policy beyond 2020 – reinforcing resilience to aim at achieving twin ecological and digital transitions.

¹²² An example is 413158 Khashuri Water Supply and Sanitation which, in consideration of 'Financial Analysis' and 'Additionality' discusses annual 5% water supply tariff increases and annual 10% sewerage tariff increases between 2024 and 2041 (giving a final tariff of 5.5x current values) concluded that grant funding is still necessary for sustainability going on to suggest that the main financial additionality of such grants would be mitigation of such tariff increases.

Georgia's CC strategies are aligned with global frameworks such as SDGs and the Paris Agreement commitments (although Georgia is yet to adopt some measures it committed to under the Agreement) and the reviewed ENP strategic documents promote full implementation of the Paris Climate Agreement. The EaP priorities for 2020 support global policy objectives, including the Paris Agreement, the UN 2020 Agenda and SDGs. The New European Consensus on Development from 2017 supports the 2030 Agenda objectives and there is also alignment with the global frameworks in the Georgia bilateral strategic documents. The revised agenda on the EU-Georgia Association Agenda provides specific priorities on implementation of the Paris Climate Agreement. The Single Support Framework for EU support to Georgia explicitly focuses on joint EU-Georgia programming of a Joint Strategy focused on global policy goals set by UN 2030 SDGs and the Paris Agreement on Climate Change.

The priority sectors of SSF reflect the revised ENP and Association Agenda and are coherent with the Eastern Partnership priorities set in the "20 Deliverables for 2020". The priorities are in line with the Georgian Governments 4 Point Action Plan strategic objectives that include Economic Development; Spatial Planning, Good Governance and Education. The choice of priority sectors was guided by the Joint Programming exercise, and recently included in a Joint Strategy on six sectors as well as with the key global policy goals set by Agenda 2030 and the Paris Agreement on Climate Change. Georgia continues to benefit from regional programmes in the framework of EU4Environment and EU4Climate Change. EU4Climate supports Eastern partner countries to implement their climate policies by contributing to low emission and climate resilient development and helping them to meet their commitments under the Paris Agreement. EU4Climate project activities started in Georgia in 2019 preparing for systematic implementation of Georgia's commitments under the Paris Agreement.

Interviews (with project stakeholders and implementation partners) during the field phase confirmed the importance has been recognised of sensitisation and mobilisation of public opinion (and business and government) as to the potential risks, challenges and responses to climate change as issues for combatting climate change and in contributing to strengthened environmental governance and actions (see JC 8.3 above regarding the latter). EU support under GEO-CAP aims at strengthening the role (and voice) of (especially) national CSOs in tackling CC and increasing public participation and awareness of the general public of CC issues including demonstrated benefits of innovative (demonstration) projects on water supply contributing to CC mitigation, protection of health and the environment by offering financial and capacity building support to 3rd parties. However, expected results have yet to be realised to any great extent.

Evidence	
Overall assessment of quality and credibility of evidence	Overall quality and credibility of evidence is Strong .
Sources of information	Evidence
EC Vision	In 2018, the Commission set out its vision for a climate-neutral EU considering all the key sectors and exploring pathways for the transition. The vision covers most EU policies and is in line with the Paris Agreement objective to keep the global temperature increase to well below 2°C and pursue efforts to keep it to 1.5°C. In 2020, as part of the European Green Deal, the Commission proposed the first European Climate Law to enshrine the 2050 climate neutrality target into law.
2030 Climate and Energy Framework (2014)	The 2030 Climate and Energy Framework (2014) includes EU wide targets and policy objectives for the period from 2021 to 2030.
Strategic Approach to Resilience in the EU's external action	A Strategic Approach to Resilience in the EU's external action. It provides a new framework in response to the changing global environment. This new framework comprises multilateral goals such as the 2030 Agenda for Sustainable Development, the Paris Agreement on Climate Change and the Sendai Framework for Disaster Risk Reduction and the Commitments to Action taken at the World Humanitarian Summit, as well as the EU's own major reviews of the European Consensus on Development and the establishment of a new level of ambition for the EU's security and defence policy.
Review of the European Neighbourhood Policy in 2015	The review of the European Neighbourhood Policy in 2015 has CC objectives including the EU commitment to strengthen energy dialogue and promotion of sustainable energy, increased cooperation on energy efficiency, renewable energy sources and on action to mitigate and adapt to climate change as well as the promotion of the full implementation of the Paris Climate Agreement.

Eastern Partnership strategic document (EaP 20)	The Eastern Partnership strategic document (EaP 20) deliverables notes the EC priorities of work with the partner countries such as the need of boosting energy resilience through energy efficiency and the use of renewable energy to reduce Greenhouse Gas emissions. The Joint Communication on the Eastern Partnership policy beyond 2020 (Reinforcing Resilience – and Eastern Partnership that delivers for all) notes that it supports the delivery of many global policy objectives, including the Paris Agreement on Climate Change and the UN 2030 Agenda and SDGs. EaP aims at 1) scale up action in areas that are critical for people’s health and wellbeing 2) increase the resource efficiency of; economies; 3) develop new green jobs and economic opportunities linked to the green transition; 4) develop local and renewable sources of energy; and 5) manage natural assets to maximise sustainability.
Revised Agenda on the EU-Georgia Association Agenda (2017-2020)	The Revised Agenda on the EU-Georgia Association Agenda (2017-2020) presents environment and climate change objectives under the priority on connectivity, energy efficiency, climate action and civil protection and implementation of the global agreement on climate change (i.e. Paris Agreement). The recommendations of the Council additionally stress the need to enhance approximation with the EU environmental acquis in environmental governance by adopting and implementing new legislation on environmental impact assessment, strategic environmental assessment and on environmental liability and by finalising a Low Emission Development Strategy.
2019 Georgia Progress report	Georgia is in the process of updating its nationally determined contribution to curb global carbon emissions upon ratification of the Paris Agreement on climate change. The degree of new commitments will largely depend on the availability of external financial support. Despite its low level of emissions per capita, Georgia still lacks a legal framework on climate change, defining institutional mandates and coordination and implementing the commitments under the various strategies and plans currently in preparation.
JOIN (2015) 50 Review of the European Neighbourhood Policy	JOIN (2015) 50 Review of the European Neighbourhood Policy – the CC objectives include the EU commitment to strengthen energy dialogue and promotion of sustainable energy, increased cooperation on energy efficiency, renewable energy sources on demand management and on action to mitigate and adapt to climate change as well as the promotion of the full implementation of the Paris Climate Agreement.
Action Document for EU Resilience Facility for Georgia: Economy, Environment, Health and Migration Management (2020)	Action Document for EU Resilience Facility for Georgia: Economy, Environment, Health and Migration Management (2020) – on climate change, the EU formulates and implements climate policies and strategies, taking a leading role in international negotiations on climate. The EU contributed to a broad coalition on countries that shaped the outcome of the Paris conference in 2015. The Paris Agreement on Climate Change is the first ever universal, legally binding climate deal that set out a plan to put the world on track to avoid dangerous climate change by limiting global warming.
EU4Climate	EU4Climate supports EaP countries implementing climate policies by contributing to low emissions and climate resilient development and helping them to meet commitments under the Paris Agreement.
C-421207 GEO-CAP	<p>Under C-421207 GEO-CAP (Promoting civil society engagement in climate change policy design and implementation it is proposed to launch extensive communication and awareness raising campaigns targeting civic, business and public sectors on international climate processes; the EU climate acquis, the European Green Deal, EU climate actions, international climate negotiations under the UNFCCC, materials of international climate actors: WMO, IPCC, GEF, OECD; IEA and Paris Agreement and the corresponding national commitments. Communication and awareness raising campaigns will involve production of informational and promotional materials; distribution of e-newsletters about the project activities through CENN’s e-network; and various media products about project activities channelled via TV, radio, printed and social media. The role of the EU in financing the project will be highlighted throughout.</p> <p>Under C-421207 GEO-CAP outcomes are expected to include demonstrated benefits of innovative projects on water security contributing to CC mitigation and adaptation and protection of health and the environment by offering financial and capacity building support to 3rd parties. Other expected outcome are that civil society (specifically in the target regions) is empowered and actively engaged in the design and implementation of climate policies and promotion of inclusive and sustainable growth, collaboration between the state and non-state actors is endured.</p> <p>Interviews (with project stakeholders and implementation partners) during the field phase confirmed the importance of sensitisation and mobilisation of public opinion (and business and government) as to the potential risks, challenges and responses to climate change have been recognised as issues for combatting climate change and in contributing to strengthened environmental governance and actions (see JC 8.3 above regarding the latter). EU support under GEO-CAP aims at strengthening the role (and voice) of (especially) national CSOs in tackling CC and increasing public</p>

	<p>participation and awareness of the general public (and decision makers) of CC issues including demonstrated benefits of innovative (demonstration) projects on water supply contributing to CC mitigation, protection of health and the environment by offering financial and capacity building support to 3rd parties.</p>
<p>C-376033 Support to 3rd NEAP 2017-2021 Final Report</p>	<p>Under C-376033 3rd NEAP Strategic Objective 1 (improving the status of the environment and ensuring protection/sustainable use of natural resources and preventing/minimising risks threatening human health and welfare of the population).</p> <p>Priority activities will focus on measures directly contributing to the improvement of the status of the environment through prevention, mitigation and adaptation measures in the sectors of water management, waste and chemical management, quality of ambient air, risk management of natural hazards, forest and biodiversity, soil protection, radiation safety management and last, but not least the climate change. The targets and activities are in line with the national financial and economic restraints.</p> <p>To address the above-mentioned challenges and priorities the following long-term goal (2030) and short-term targets for the next 5 years are set in the ambient air protection field:</p> <p>Goal: To ensure the air is clean and safe for both human health and the environment throughout Georgia.</p> <p>Target 1: Reduction of air emissions through regulation of air pollutants from various economic sectors.</p> <p>In 2017 Georgia acceded to the Paris Agreement. In 2015, prior to the adoption of the Paris Agreement, Georgia submitted its intended Nationally Determined Contribution (NDC) to the UNFCCC: According to the INDC, Georgia plans to unconditionally reduce its GHG emissions by 15% below the Business-as-Usual scenario (BAU) by 2030. This number will mean 34% reduction in emission intensity per unit of GDP from 2013 to 2030. Conditional to a global agreement addressing the importance of technical cooperation, access to low-cost financial resources and technology transfer, this 15% can be increased up to 25%. At 25% Georgia's reduction in greenhouse has emission intensity per unit of GDP from 2013 to 2030 would be approximately 43%. The 25% reduction would also ensure that by 2030 GHG emissions in Georgia will stay 40% below the 1990 levels.</p> <p>In order to fulfil its obligations under the Paris Agreement MENRP plans the development of a 'Climate Action Plan' (CAP) by the end of 2018 and its implementation in following years. As one of the first steps, a revision of the Georgian INDC is planned to be conducted in 2017 based on which, the new NDC will be developed and submitted to the UNFCCC secretariat by 2019.</p>
<p>SSF for EU Support to Georgia (2017-2020)</p>	<p>The SSF for EU Support to Georgia (2017-2020) allocated 15% of the total spending on Sector 3: connectivity, energy efficiency, environment and climate change. The priorities of Env. & CC support under SPP were formulated broadly and the interventions focusing on climate change mitigation and environmental quality. TA aligned with the strategic priorities has supported the legal and policy framework needed in areas of pollution and destruction of the natural environment (e.g. Hazardous Waste Planning, Water and Sanitation, Waste Management, as well as Forestry Management). These areas overlap with CC issues of drought, river and sea basin management, as well as fire and flood control. SSF sets indicators for relevant results including 'Nationally Appropriate Mitigation Actions'.</p>
<p>Nationally Determined Contribution (NDC) 2021</p>	<p>Georgia's updated Nationally Determined Contribution (NDC) 2021 recognises the importance of public participation and awareness raising (of the general public and decision makers) on climate change mitigation and adaptation process and plans to implement the respective measures. NDC also aims to collect, manage, report and archive information on gender-disaggregated relevant data in its national reports related to the greenhouse gas mitigation and climate change adaptation. NDC sets implementation period for Climate Change Strategy and Action Plan between 2021 and 2030 through identification of individual mitigation measures contributing to achievement of the sectoral goals.</p>
<p>National Biodiversity Strategy and Action Plan (NBSAP) 2014-2020</p>	<p>The national policy document in the field of biodiversity is the National Biodiversity Strategy and Action Plan (NBSAP) 2014-2020. NBSAP sets 21 national targets and respective actions which aim at preservation of the values of biodiversity, raising public awareness regarding significance of biodiversity and benefits derived therein, integration of biodiversity aspects in various sectors, enhancement of the biodiversity and mitigation of threats to biodiversity.</p>
<p>European Neighbourhood Policy (ENP)</p>	<p>The European Neighbourhood Policy (ENP) governs the EU's relations with Georgia. The ENP was developed in 2004 with the objective of avoiding the emergence of new dividing lines between the enlarged EU and its neighbours and instead strengthening the prosperity, stability and security of all. The ENP was reviewed in 2011 and further in 2015. The review of the ENP in 2015 seeks to deploy the available instruments and resources in a more coherent and flexible manner. The reviewed ENP notes that the EU will support a resource efficient economy by addressing environmental challenges such as degradation of and competition for national resources. In relation to climate change, it highlights that the EU is committed to</p>

	strengthen its energy dialogue with neighbourhood countries in, among other, promotion of sustainable energy. At the same time, an increased cooperation on energy efficiency, renewable energy sources, on demand management and on action to mitigate and adapt to climate change will help to develop economies that are more efficient, competitive, resilient and stable while increasing energy sovereignty and reducing emissions.
EaP 20	Env. & CC objectives are highlighted in the Eastern Partnership strategic documents. The EaP 20 deliverables for 2020 under stronger connectivity note the EC priorities of work with the partner countries such as the need of boosting energy resilience through energy efficiency and the use of renewable energy to reduce Greenhouse Gas emissions.
C-386044 Strengthening the administrative capacities of the Ministry of Environment and Natural Resources Protection for Georgia	Under C-386044 Strengthening the administrative capacities of the Ministry of Environment and Natural Resources Protection for Georgia for approximation and implementation of the EU environmental 'acquis' on fields of industrial pollution and hazards – twinning project (Spain, Netherlands, Czech Republic). Component 1 focuses on necessary steps for adoption of primary and secondary legislation in accordance with the Industrial Emissions Directive IED 2010/75/EU and the Directive 12/18/EU (Seveso III Directive). Activity 1.1: Development of a new Law on Control on Emissions from Industry according to an inclusive and evidence-based approach and in accordance with IED 2010/75/EU.

I-8.4.2 Mitigation actions carried out and emission reductions achieved.

Whilst the importance of addressing CC effects at national level has been recognised in multiple sectoral strategy documents (e.g., Georgia 2020) there is still no comprehensive national policy for CC mitigation despite Georgian laws on Environmental Protection and Ambient Air Protection dating from the 90s recognising the need to reduce GHG emissions and action CC mitigation measures.

SSF 2017 – 2020 priorities include CC mitigation and environmental quality issues setting indicators for 'Nationally Appropriate Mitigation Actions - NAMAs'. The Association Agreement (2016) stressed cooperation on CC mitigation (as do the 3rd NEAP long term goals) and the NAMA concept has become a key element in negotiations of CC mitigation in the UNFCCC process with several NAMAs implemented and others under preparation. The 2021 NDC recognises the need for increased awareness and public participation in CC mitigation measures.

At local/municipal levels the EU Covenant of Mayors initiative has supported awareness raising about necessary CC mitigation including demonstration projects retrofitting energy efficient measures and equipment to schools.

Evidence	
Overall assessment of quality and credibility of evidence	Overall quality and credibility of evidence of aspirations to implement mitigation actions and reduce emissions is very strong, evidence of actions actually implemented and results achieved (in terms of GHG emissions reduction) is Weak .
Sources of information	Evidence
2015 Georgia Progress Report	The 2015 Georgia Progress Report noted: There is still no comprehensive policy to prevent and mitigate climate change in Georgia. EU expert support in this area is provided through the regional Climo East project, in particular to strengthen the capacity of policy makers and develops mitigation policies. This situation is being overcome with increased support subsequently.
Association Agreement drafted in 2014 and coming into force in 2016 and accession to the Energy Community Treaty 2017	The development of the policy and legal framework speeded up following the Association Agreement drafted in 2014 and coming into force in 2016 and accession to the Energy Community Treaty 2017. Laws on Energy Efficiency and Energy Performance of Buildings have been drafted with TA support and are a fundamental component in national CC mitigation, as 40% of all Georgia energy is used in buildings. Specifically, the AA stresses cooperation on: mitigation of climate change, adaptation to climate change, carbon trade, integration into industrial policy on the climate change issues and development of clean technologies. The agreement explicitly mentions the cooperation on the preparation of the Low Emission Strategy (LEDS), as well as nationally Appropriate Mitigation Actions (NAMA) and the measures to promote technology transfer based on the technology needs

	assessment. The concept of Nationally Appropriate Mitigation Actions (NAMAs) has become a key element of negotiation on mitigation in the UNFCC process. Georgia is actively involved in preparation and implementation of projects for NAMAs. In the framework of this initiative the following NAMAs are either implemented or under preparation: Adaptive Sustainable Forest Management in Borjomi-Bakuriani Forest District; Efficient Use of Biomass for Equitable, Climate Proof and Sustainable Rural Development; Energy Efficient Refurbishment in the Georgian Public Building Sector; and Vertically Integrated Nationally Appropriate Mitigation Action (V-NAMA) with focus on the urban transport sector.
Social-Economic Development Strategy of Georgia "Georgia 2020"	The importance of actions addressing climate change effects at national level is acknowledged in the Social-Economic Development Strategy of Georgia "Georgia 2020". The document declares that "it will be necessary to attract environmental investments from international funds of UN Framework Convention on Climate Change (Green Climate Fund, Global Environment Protection Fund, etc) in order to meet the requirements of the Convention; this will facilitate the process of introducing energy-saving, environmentally friendly modern technologies in Georgia". The climate change mitigation and adaptation actions are more effective if these are integrated into sectoral policies. The integration of the climate change issues into programs of sectors that cause the biggest GHG emissions (transport, energy, industry) would bring largest effect in reduction of GHG emissions.
Covenant of Mayors (CoM)	Georgia supports the EU initiative – Covenant of Mayors (CoM). For seven years, by joining the municipalities and cities of Georgia to the CoM the vertical coordination dialogue has advanced between central and local governments with regards to the climate change mitigation. Local governments have been exchanging knowledge on translating national climate goals to their action plans and mitigation targets and needs raised by the municipalities and cities have been included in national climate related strategies. The initiative offered by the commission regarding the CoM for climate and energy is open for the cities of Georgia in order to strengthen climate actions towards developing adaptive capacity and enhancing mitigation measures vis-à-vis promoting secure, sustainable and affordable energy. The implementation of the SEAPs within the CoM will also significantly contribute to the reduction of GHG emissions and climate change mitigation process. Another important arena is the mitigation measures planned within the frame of LEDS for the following sectors: Energy, Industry, Transport, Residential, Agriculture, LULUCF (Land Use, Land Use Change and Forestry) and Waste.
Georgian Laws on Environmental Protection (1996) and on Ambient Air Protection (1999)	The Georgian Laws on Environmental Protection (1996) and on Ambient Air Protection (1999) do acknowledge significance to the GHG emissions and stress the need to implement mitigation measures. Georgia's contribution to global Greenhouse Gas emissions will increase driven by the increasing trends of the projections of population and economic development. However, by joining the Paris Agreement Georgia is going to contribute to the international commitment by reducing its national GHG emissions.
Energy Community	Georgia has not yet transposed the Energy Community rules related to emissions into the air, despite operating four large gas fired combustion plants falling under the scope of the Directive, the emissions of which are in line with the Directive. Georgia complied with its reporting obligations under the Large Combustion Plants Directive in April 2020 by submitting its emissions data to the European Environment Agency for the reporting year 2019. The adoption of the draft Law on Industrial Emissions and a by-law on special provisions for combustion plants was postponed to 2021 due to COVID-19 situation. Work on the National Energy and Climate Plan is underway.

I-8.4.3 Adaptation Plans produced and concrete actions implemented.


Support to CC adaptation is a feature of multiple instruments of EU-Georgia cooperation (and although Georgia does not yet have a specific National Adaptation Plan some NAMAs (Nationally Appropriate Mitigation Actions) are being implemented whilst others are being prepared – see I-8.4.2 above). However, under NDC 2021 and 'National Communication of Georgia to UNFCC' potential negative economic and social effects of CC (including coastal flooding, storm hazards, waste management, water supply security and quality, IWRM, health, well-being and vulnerability, biodiversity) are recognised at national level and, with less awareness, at local levels and in the general population. CC adaptation measures are included in EU legislation and norms being adopted by Georgia (e.g., EU Water Framework Directive).

Overall assessment of quality and credibility of evidence	Overall quality and credibility of evidence is Medium .
Sources of information	Evidence
EaP 20	Env. & CC objectives are highlighted in the Eastern Partnership strategic documents. The EaP 20 deliverables for 2020 under stronger connectivity notes the EC priorities of work with the partner countries such as the need of boosting energy resilience through energy efficiency and the use of renewable energy to reduce Greenhouse Gas emissions. There are two deliverables related to Env. & CC objectives: 15) enhance energy efficiency and the use of renewable energy and 16) support to environment and adaptation to climate change.
EU support to ENI Cross-Border Cooperation (2014-2020)	Programming document for EU support to ENI Cross-Border Cooperation (2014-2020) – Environmental protection, and climate change mitigation and adaptation is the 6th strategic objective (of 6).
Single Support Framework for EU support to Georgia (2017-2020)	Single Support Framework for EU support to Georgia (2017-2020) – the priority sectors reflect the revised ENP and Association Agenda and are coherent with the Eastern Partnership priorities set in the “20 deliverables for 2020”. Deliverables in the field of Env. And CC are: 15) enhance energy efficiency and the use of renewable energy; reduce Greenhouse Gas emissions; 16) support the environment and adaptation to climate change.
Nationally Determined Contribution (NDC) 2021	Georgia’s updated Nationally Determined Contribution (NDC) 2021 – Target: Georgia is committed to continue studying its adaptive capacity of different economic sectors to the negative effects of climate change, as well as to plan and implement the respective adaptation measures by mobilising domestic and international resources for the sectors particularly vulnerable to climate. Georgia does not yet have a National Adaptation Plan but has identified several adaptation measures to be adopted as part of the National Adaptation Plan to achieve the goal set out in Nationally Determined Contribution.
National Communication of Georgia to the UNFCCC	According to the National Communication of Georgia to the UNFCCC, among the negative impacts of climate change affecting economic development of the country are coastal flooding and storm hazards caused by the sea level rise and water warming, which is correlated with storm intensity. In order to minimise economic losses, it is vital to assess and implement adaptation measures the cost of which are estimated about 1.5 billion GEL. In absence of these adaptation measures the estimated losses only in the tourism sector will reach about 5 million GEL by 2030. The municipalities of Georgia are also key stakeholders as they are vulnerable to climate change. It is highly important to support climate change adaptation in the regions of Georgia through institutionalization of climate change adaptation and mitigation measures at local and national levels by building of capacities of local authorities. The core function of the Ministry of Agriculture (MoA) of Georgia is to develop and implement a unified policy on the development of agricultural sector in Georgia. In cooperation with the MENRP, the MoA coordinates the development of prevention and adaptation measures addressing global climate change impacts.
EU-Georgia Association Agreement (AA)	The EU-Georgia Association Agreement (AA) is another document shaping the Climate Change commitments at national level. Specifically, the AA stresses need of cooperation on the following area: mitigation of climate change, adaptation to climate change, carbon trade, integration into industrial policy on the climate change issues and development of clean technologies. The agreement explicitly mentions the cooperation on the preparation of the Low Emission Strategy (LEDS), as well as Nationally Appropriate Mitigation Action.
C-421207 GEO-CAP	Under C-421207 GEO-CAP outcomes include: Demonstration of benefits of innovative projects on water security contributing to CC mitigation and adaptation and protection of human health and the environment by offering financial and capacity building support to third parties and strengthened CC mitigation and adaptation measures and protection of human health and environment via financial (sub-grants) and capacity building support offered to the third parties for the implementation of innovative projects (with a focus on new technologies, digital solutions and circular economy). Activities include offering financial support and technical capacity building to third parties for implementing innovative projects on water security contributing to climate change mitigation and adaptation, community resilience building on water security contributing to climate change mitigation and adaptation, community resilience building and protection of human health and the environment. To address the environmental risks, the project will encourage the local actors to consider environmental impacts as well as CC vulnerability analysis and CC adaptation approached for their project ideas.

	<p>Interviews (with project stakeholders and implementation partners) during the field phase confirmed the importance of sensitisation and mobilisation of public opinion (and business and government) as to the potential risks, challenges and responses to climate change have been recognised as issues for combatting climate change and in contributing to strengthened environmental governance and actions (see JC 8.3 above regarding the latter). EU support under GEO-CAP aims at strengthening the role (and voice) of (especially) national CSOs in tackling CC and increasing public participation and awareness of CC issues including demonstrated benefits of innovative (demonstration) projects on water supply contributing to CC mitigation, protection of health and the environment by offering financial and capacity building support to 3rd parties.</p>
C-376033 3rd NEAP	<p>Improving the status of the environment and ensuring protection/sustainable use of natural resources and preventing/minimizing risks threatening human health and welfare of the population. In frame of this objective the priority activities will focus on measures directly contributing to the improvement of the status of the environment through prevention, mitigation and adaptation measures in the sectors of water management, waste and chemical management, quality of ambient air, risk management of natural hazards, forest and biodiversity, soil protection, radiation safety management and last, but not least the climate change.</p>
C-404227 Water supply and sanitation in rural and semi-urban communities of Adjara	<p>Contribution to a reduction of negative environmental impacts i.e. on the quality of surface and groundwater in the region and eventually in the Black Sea. Also, adaptation to climate change and strengthen cooperation on environmental protection and water resources management and will promote the principle of Integrated Water Resources Management (IWRM) in accordance with the EU Water Framework Directive (WFD).</p> <p>Interviews with during the field phase revealed several issues affecting implementation and potential sustainability:</p> <p>Cost increases - significant cost over-runs have been identified (although there have been significant delays – tendering only now going ahead) of the order of €35M to be covered by GoG contribution (there had not been any local contribution originally). Further cost increases may yet occur (eg uPVC pipe costs) due to COVID restrictions, collapse of supply chain and increased energy costs. Such increases will potentially increase claimed leverage and reduce estimated economic viability (it is although such economic analysis has not expected that any significant cost recovery will be realistically expected in been made available to the short to medium term evaluation).</p> <p>Public consultation – local communities confirm willingness to pay tariffs for water supply and waste disposal once the project is implemented and operational; previously no tariffs were charged because water supply standards did not meet national standards</p> <p>Tariffs – despite expressed willingness to pay for better services, tariff levels as set by the national regulator will not be high enough to cover full cost recovery and GoG subsidies will be necessary for years. The KfW assessment is that a long-term perspective is necessary in assessing economic/financial viability and affordability</p> <p>Institutional and technical capacity – the capital investment in infrastructure is accompanied by training and the technology used should be accessible (not too sophisticated) but field phase interviews noted the ‘challenging’ and ‘very weak’ the utility company institutional capacity and has problems in retaining the trained/experienced technical people (especially in rural areas), these constraints having caused implementation progress issues.</p>
C-413158 Khashuri Water Supply and Sanitation	<p>(Field phase) interview notes on delayed implementation</p> <p>Khashuri project has a long story. Between 2014-2020 nothing happened. Feasibility study was finally responded to recently. The delay resulted in new scope and increased grant, development of project with DBO. Implementation period has also changed, originally 1-2 years. However, DBO has resulted in the extension of implementation up to 3 years. Construction and operation phase will be within 6 years. A consequence is that it is likely necessary for 2 years to be funded by Georgian government (possibility). The question: would contractors take the risk to source funding from the government. Thus, EU advised that it might not be possible to have a 3 year operation phase.</p> <p>EU wants extended operation phase because there would be a strong support on the Georgian side. AFD has to do activities that will support operations DB(O). Secondly, there is also a TA that will support the whole operation phase of water management – water treatment and selling of fresh water. Operations and TA are funded by the EU. It will be very on the ground with field managers – support to UWSCG (utility company).</p> <p>Procurement of the contracts</p> <p>Tender documents for three lots of works. 1 Renewal and new sections of the distribution networks (water supply and wastewater) to minimize the impact on the population – prequalification phase is complete. 2. Treatment facilities, transmission mains and reservoirs (renewal and new, water supply and wastewater). 3. Sludge treatment plants. 2 and 3 are less advanced.</p> <p>Timetable on lot 1</p> <p>Contract expected to be signed around June 29022. Proposals are quite small and the evaluation should be completed quickly. But caution is necessary due to high turnover of utility company general managers which means the process may have to be reviewed - changes create unwanted delays.</p>

	<p>Other 2 lots Lot 2 – transmission main and reservoirs re-furnishment and building of brand-new facilities water treatment. Lot 3. Sludge treatment and production of onsite renewable energy (methane) though there has been some doubt expressed by Georgian government as mentioned in the assessment report.</p>
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EQ9 – Mobility and people-to-people contacts

<p><i>To what extent has EU support to Georgia, including Erasmus+ contributed to increasing mobility and people-to-people contacts and to improving education?</i></p>		
<p><i>Description/ Rationale</i></p>	<p><i>Georgia has been a participant in Erasmus+ and other programmes, such as Horizon 2020, designed to promote Georgia-Europe education and research contacts. In the area of education, training and youth, Georgia has implemented reforms in order to build a modern education and training system, in line with the European Higher Education Area. The VET and internal skills-labour market needs matching aspects of education reform have been dealt with under EQ 7. Under this EQ, we deal with integration more broadly of Georgia into the European education area. JC9.1 deals with education, research, and cultural ties between Europe and Georgia. Under JC9.2, we deal, as well, with progress under the Mobility Partnership (2009), including promotion of mutually beneficial legal labour migration, the fight against irregular migration, smuggling, and trafficking; and the results of the visa-free travel regime between Georgia and the EU which came into force on March 28, 2017.</i></p>	

JC9.1 Closer education, research, and cultural ties

Closer education, research, and cultural ties between Georgia and the EU and Georgian and other Eastern Partnership countries

I-9.1.1 Increased Georgian and European participation in Erasmus+ actions (number of individuals, sex-disaggregated, and groups funded, number of projects funded, etc.).

Georgia is a partner country of the Erasmus+ programme (in current official language a “third country not associated to the programme”) and has participated in all programme components; i.e., International credit mobility (ICM), Erasmus Mundus Joint Master Degrees (EMJMDs), Capacity Building in Higher Education action (CBHE) projects, and Jean Monnet (JM) activities. The participation of Georgian students and researchers in ICM more than tripled between 2015 and 2020.20202019 During this period a total of 6509 students moved from Georgia to Europe, while 3859 students moved from Europe to Georgia. Georgian participation in other programme components also increased markedly. The number of selected EMJMD projects involving Georgian universities (in different capacities) increased from 0 in 2014 to 5 in 2019, totalling 21 during this period. Applications for CBHE projects with a participation from Georgia increased from 42 to 50. Of the total of 272 proposals, 30 were successful. JM applications from Georgia went up from 2 to 19, totalling 59 of which 13 were selected. Overall, in terms of participation Georgia is a Top 10 partner country.

The national Erasmus+ office reported that around 63% of the students who participated in mobilities were female. . According to the same source, students with European experiences find jobs more easily, especially in them, and are often already recruited while still studying. In big cities having a European HE background is already standard. Consequently, there is strong competition for mobilities, with around 25 applications for each scholarship. As one interlocutor put it, “We don’t need to promote Europe and convince students and universities. Europe is highly attractive.” Unlike in the case of many other partner countries, mobilities are not mainly a one way street to Europe but go both ways. According to interviews, the attractiveness of Georgia as a destination for European students and academics is at least partly due to the absence of visa requirements, bureaucratic hurdles and other restrictions as well as the liberal and autonomous nature of the HE system.Georgian

universities have established mobility partnerships with more than 250 universities from all programme counties. Out of 575755575755 authorised Georgian Higher Education Institutions (HEI) (some, however, are very small with just a few dozen students), as of 2020 392020 392019 32 had been included in the Erasmus + mobility program (50% were public, 50% were private HEIs). This number has increased greatly in recent years and the geographic area has expanded. However, while 80% of all HEIs participated in mobility programmes, 70% of the mobility of students and academic was limited to a total of five universities. All five are located in Tbilisi. (see evidence under I-7.3.4)

Participation in Erasmus+ is considered an important selling point for HEI to attract also more non-European international students as it opens a window of opportunity for, for example, Iranian and Indian students to spend a part of their studies in Europe. 10% of the Georgian student body is international, and among this group are 80% medical students, mostly from India.

<i>Evidence</i>	
Overall assessment of quality and credibility of evidence	Overall quality and credibility of evidence is assessed as Strong .
<i>Sources of information</i>	<i>Evidence</i>
National Erasmus + Office Georgia (2021). Higher Education and Research Internationalization in Georgia 2030 Recommendations	<ul style="list-style-type: none"> • From 64 stately recognized HEIs, 51 (80%) have international students and only 20 (31%) – international staff. 152 international academic staff teach at Georgian HEIs (increasing tendency, mostly due to online teaching). • International students comprise 10% of student body in Georgia: 15 846 international students from 43 countries study currently at Georgian HEIs - 84.8% are medicine students. 8 297 of international students (52%) are from India, followed by students from Azerbaijan (10%). • Only 18 study programmes have international accreditation (out of 1590, making 1.13%). • 195 study programmes are offered in languages other than Georgian, making 12.26% of total programmes, with English being a language of tuition in 169 programmes (other languages: Russian, German and French). • There are only 14 study programmes (0.88%) offering joint/double degrees in cooperation with European partners. • Total annual expenditure of foreign students in Georgia is 195 million GEL, which amounts to 0.6% of Georgia’s GDP and 6% of its export of services . A rough and conservative lower estimate for the amount of total expenditure incurred by all foreign students in Georgia annually is 40 million USD17 • Georgia is very successful in the Erasmus+ programme, ranking 6th among 141 partner countries with a total of 10 368 international mobility scholarships for students and staff (6 509 outgoing to the European countries and 3 859 - incoming to Georgia). • 11.3k Georgian students studied in foreign countries in 2017, up from 7.1k in 2013 • 70% of publications from Georgia are the result of international collaborations.
Tamar Lortkipanidze, Nino Urushadze (2021). Erasmus+ Mobility in times of pandemics Experience of Georgian Universities	<p>Georgia is among the leading partner countries by the scale of Erasmus+ International Credit Mobility (ICM) and is ranked 6th among 141 partner countries participating in the programme. 39 higher education institutions from the capital and regional cities, out of 56 operating in the country, are involved in the ICM programme.</p> <p>Georgia has mobility partnerships with more than 250 universities from all programme counties. Since 2016 National Erasmus+ Office (NEO) Georgia conducted 25 institutional visits (5 visits per year) in order to monitor ICM projects implementation. Problems related to the administration of the mobility process have been constantly reported during the monitoring visits.</p> <p>From 2020 the overall implementation of exchange programmes was blemished because of lockdowns and travel restrictions due to Covid-19 outbreak. According to a survey among the country’s HEIs, the majority of HEIs (70.8%) stated that no changes have been made to the international exchange programme strategies at their institutions. Those who revised their approaches, mainly focused on online/blended learning components, virtual mobilities and concentrated on international projects that could be implemented via online tools. As stated by the participants “Mobility periods became more flexible, it was possible to implement virtual mobilities”.</p>

Erasmus+ Statistics ¹²³	<p>Table x: Erasmus+ ICM Scholarships Georgia, 2015-220</p> <table border="1" data-bbox="510 196 1294 758"> <thead> <tr> <th>Year</th> <th>Outgoing from Georgia</th> <th>Incoming to Georgia</th> <th>Sum</th> </tr> </thead> <tbody> <tr> <td>2015</td> <td>695</td> <td>190</td> <td>885</td> </tr> <tr> <td>2016</td> <td>989</td> <td>570</td> <td>1559</td> </tr> <tr> <td>2017</td> <td>818</td> <td>515</td> <td>1333</td> </tr> <tr> <td>2018</td> <td>1109</td> <td>699</td> <td>1808</td> </tr> <tr> <td>2019</td> <td>1144</td> <td>751</td> <td>1895</td> </tr> <tr> <td>2020</td> <td>1754</td> <td>1134</td> <td>2888</td> </tr> <tr> <td>Total</td> <td>6509</td> <td>3859</td> <td>10368</td> </tr> </tbody> </table> <p>Source: https://erasmusplus.org/ge/en/services/statistics</p>	Year	Outgoing from Georgia	Incoming to Georgia	Sum	2015	695	190	885	2016	989	570	1559	2017	818	515	1333	2018	1109	699	1808	2019	1144	751	1895	2020	1754	1134	2888	Total	6509	3859	10368
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EAMR 2019	Regarding mobility of students, Georgia reached the 9th rank at global level in number of Erasmus beneficiaries. Regarding Horizon2020, in addition to new cooperation with JRC, a twinning was concluded to foster participation of Georgian research entities in EU research and innovation programmes.																																
AA implementation report for 2017	Georgia is successfully progressing in Erasmus+ participation in both Capacity Building for Higher Education (CBHE) and International Credit Mobility (ICM). Georgia represents 31% of all funded projects in the first call for proposals for the EU4Youth component implemented as a dedicated budgetary window under Erasmus+. Projects will address entrepreneurship and leadership competences of young people in the country.																																
AA implementation report for 2020	2020 was a successful Erasmus+ year for Georgia with seven Capacity Building for Higher Education (CBHE) projects, eleven Jean Monnet projects, 28 Erasmus Mundus Joint Master Degree scholarships. In 2020, 2,888 International Credit Mobility scholarships were awarded (1,193 for students and 1,965 for staff). With these numbers Georgia maintained its place in the top 10 partner countries.																																

I-9.1.2 Increased and diversified Georgian and European participation in schemes for research mobility and collaboration in research and innovation (Marie Curie fellowships, Jean Monnet Actions, Creative Europe, Horizon 2020, etc.)

Jean Monnet Actions – as part of Erasmus+ - are covered under I-9.1.1

¹²³ <https://erasmusplus.org/ge/en/services/statistics>

Georgia already participated in the Framework Programme 7 (FP7) and has been associated to Horizon 2020 since 2016. The association agreement gave the country full participation rights which equal those of EU Member States. This is also important in the wider political context as, according to interviews, the Georgian Government perceived H2020 association – realistically or not - as a stepping stone towards EU membership

Georgian organisations participated in 65 H2000 projects and signed 58 grant agreements. Most partner organisations were located in Germany (101), followed by Italy (96), Spain (74) and the UK (73). . However, only three projects were coordinated by HEIs from Georgia. Georgian HEIs receiving EUR 8.71 million of direct EU contributions under Horizon 2020. The total received under FP7 was EUR 5.9 million, indicating a substantial increase from FP7 to H2020. In H2020 Georgia was the best performing country in the Caucasus region and the third best performing country in the EaP– behind Ukraine and Moldova. H2020 grants were shared among 35 Georgian HEIs and research institutions but the lion’s share of EUR 1.79 million (20.6%) was awarded to the National Center of Tuberculosis and Lung Diseases (NCTLD), a non-profit organisation founded in 2001.¹²⁴ This, however, should not be seen in a negative light as it is a common and useful strategy of research funding across the globe to promote research excellence though focussing on HEI and research institutions that already perform very well. At the same time, it is important that organisations outside the top tier get their opportunities too. To this effect the GoG has started a priority setting process under the guidance of the European Commission’s Joint Research Centre (JRC). Furthermore, research-business collaboration has been stimulated with a new call for collaborative research projects, which has been implemented in 2020 by the Shota Rustaveli National Science Foundation of Georgia (SRNSFG), and financed via the World Bank. A new Horizon Europe (the successor programme of H2020) office opened in November 2021 and the opening of planned regional HE offices in different universities in Georgia is planned. Two already exist. The purpose of these offices is, inter alia, to help in the preparation of project proposals drafting. Last but not least, national funding agencies for research and innovation were developed, such as the SNRSFG and the Georgian Innovation and Technology Agency (GITA).

Georgia requested advise under the H2020 Policy Support Facility (PSF) from DG RTD with the objective of receiving tailored recommendations on reforms necessary to improve and strengthen their research and innovation system. The 2018 report put forward the “Strengthen 4C for Georgia”, i.e. the strengthening of cooperation, concentration, collaboration and coherence. According to interviews, the GoG has made progress in following up on the recommendations and the above-mentioned measures are reflecting this.

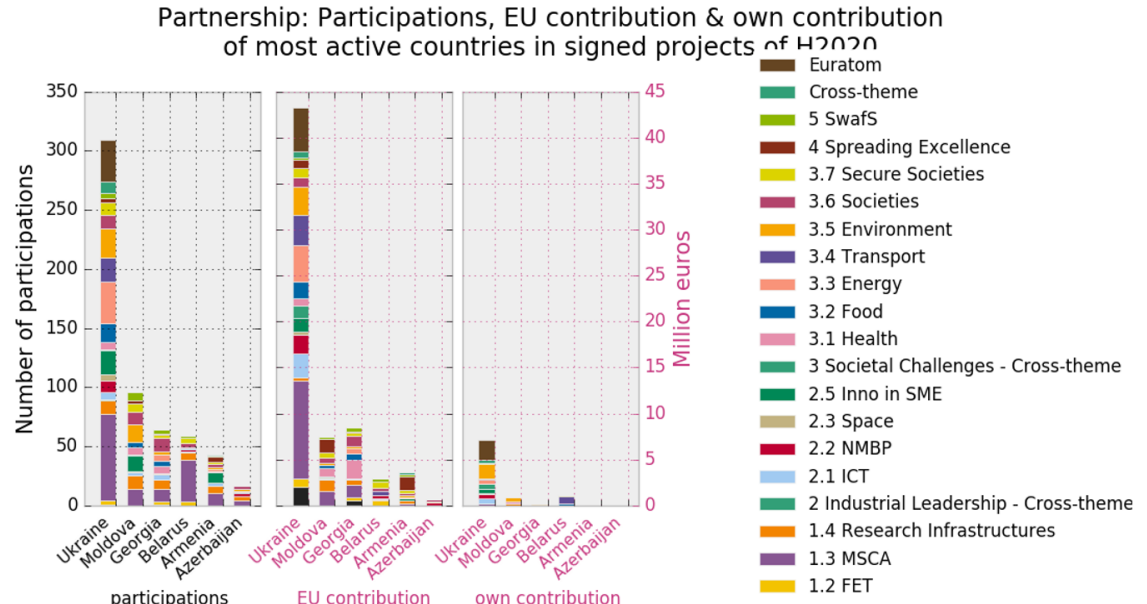
In 2019, Georgia also joined EURAXESS, an unique pan-European initiative backed by the EU, member states and associated countries, offering information and personalised support services, to researchers, innovators, research organisations/universities and businesses.

Georgia occupies a middle position in the Eastern Partnership before Belarus, Armenia and Azerbaijan but markedly behind Ukraine and Moldova (see figure x). Unlike the two latter and Belarus, Georgia’s own contribution is neglectable. Generally, research is still impaired by low levels of state funding and a weak linkage between academia and industry. However, the Ministry provides support for H2020 research grant applications and all Georgian researchers who participate in H2020 and the predecessor Horizon Europe have to deliver a lecture to other researchers and thus act as multipliers.

In January 2015 Georgia became the first Neighbourhood country to join the Creative Europe Programme, which is not a research-focussed initiative but supports cultural cooperation and networks. The EU has so far allocated EUR 1.5 million for the support of projects in Georgia.

<i>Evidence</i>	
Overall assessment of quality and credibility of evidence	Overall quality and credibility of evidence is assessed as Strong .
<i>Sources of information</i>	<i>Evidence</i>

¹²⁴ Figures according to Horizon 2020 Profile Georgia, <https://webgate.ec.europa.eu/dashboard/sense/app/a976d168-2023-41d8-acec-e77640154726/sheet/0c8af38b-b73c-4da2-ba41-73ea34ab7ac4/state/analysis/select/Country/Georgia>

<p>ENP implementation report for 2014</p>	<p>Georgia participated in the Tempus programme with 35 ongoing projects out of which 5 are coordinated by a Georgian higher education institution. 491 students and staff were selected in 2014 for mobility within partnerships supported by Erasmus Mundus and two students were selected for joint master's degree. 19 researchers and 132 staff members benefited from Marie Curie actions and two applications were selected for funding under the Marie Skłodowska-Curie actions (MSCA) under 'Horizon 2020'. Georgia also participated in the eTwinning plus action with 68 schools. Young people and youth organisations benefited from Erasmus+, with 2 111 participants in mobility projects and 145 taking part in the action for young people and decision-makers in the field of youth.</p>
<p>DG RTD Participations of beneficiaries, parties and organisations CORDA (JRC, EIT, and art. 185 not included); extraction date: 2/9/2021</p>	<p style="text-align: center;">Partnership: Participations, EU contribution & own contribution of most active countries in signed projects of Horizon</p>  <p>The figure consists of three stacked bar charts for the countries: Ukraine, Moldova, Georgia, Belarus, Armenia, and Azerbaijan. The first chart shows the total number of participations (left y-axis, 0-350). The second chart shows the EU contribution in million euros (right y-axis, 0-45). The third chart shows the own contribution in million euros (right y-axis, 0-45). The legend on the right lists 20 project categories with their corresponding colors: 1.1 ERC (black), 1.2 FET (yellow), 1.3 MSCA (purple), 1.4 Research Infrastructures (orange), 2 Industrial Leadership - Cross-theme (green), 2.1 ICT (light blue), 2.2 NMBP (red), 2.3 Space (tan), 2.5 Inno in SME (dark green), 3 Societal Challenges - Cross-theme (teal), 3.1 Health (pink), 3.2 Food (blue), 3.3 Energy (light orange), 3.4 Transport (dark blue), 3.5 Environment (yellow-green), 3.6 Societies (magenta), 3.7 Secure Societies (yellow), 4 Spreading Excellence (dark red), 5 SwafS (light green), Cross-theme (dark green), and Euratom (brown).</p>

<p>DG RTD Participations of beneficiaries, this parties and partner organisations CORDA (JRC, EIT, and art. 185 not included); extraction dateL 2/9/2021</p>	<p style="text-align: center;">GE: EU contribution to participants of Horizon 2020</p> <table border="1"> <caption>Estimated data from the chart (Million euros)</caption> <thead> <tr> <th>Category</th> <th>2014</th> <th>2015</th> <th>2016</th> <th>2017</th> <th>2018</th> <th>2019</th> <th>2020</th> </tr> </thead> <tbody> <tr><td>1.1 ERC</td><td>0.0</td><td>0.0</td><td>0.0</td><td>0.0</td><td>0.0</td><td>0.55</td><td>0.0</td></tr> <tr><td>1.2 FET</td><td>0.0</td><td>0.0</td><td>0.0</td><td>0.25</td><td>0.0</td><td>0.0</td><td>0.0</td></tr> <tr><td>1.3 MSCA</td><td>0.0</td><td>0.0</td><td>0.55</td><td>0.1</td><td>0.15</td><td>0.25</td><td>0.4</td></tr> <tr><td>1.4 Research Infrastructures</td><td>0.0</td><td>0.1</td><td>0.15</td><td>0.1</td><td>0.3</td><td>0.0</td><td>0.0</td></tr> <tr><td>2.1 ICT</td><td>0.15</td><td>0.0</td><td>0.0</td><td>0.0</td><td>0.0</td><td>0.0</td><td>0.0</td></tr> <tr><td>2.3 Space</td><td>0.0</td><td>0.0</td><td>0.0</td><td>0.0</td><td>0.0</td><td>0.0</td><td>0.0</td></tr> <tr><td>3.1 Health</td><td>0.1</td><td>1.5</td><td>0.0</td><td>0.0</td><td>0.0</td><td>0.0</td><td>0.4</td></tr> <tr><td>3.2 Food</td><td>0.0</td><td>0.05</td><td>0.0</td><td>0.0</td><td>0.0</td><td>0.05</td><td>0.6</td></tr> <tr><td>3.3 Energy</td><td>0.0</td><td>0.0</td><td>0.0</td><td>0.25</td><td>0.1</td><td>0.0</td><td>0.0</td></tr> <tr><td>3.5 Environment</td><td>0.0</td><td>0.0</td><td>0.15</td><td>0.0</td><td>0.0</td><td>0.0</td><td>0.0</td></tr> <tr><td>3.6 Societies</td><td>0.05</td><td>0.15</td><td>0.0</td><td>0.4</td><td>0.05</td><td>0.0</td><td>0.55</td></tr> <tr><td>3.7 Secure Societies</td><td>0.0</td><td>0.15</td><td>0.0</td><td>0.0</td><td>0.0</td><td>0.0</td><td>0.0</td></tr> <tr><td>4 Spreading Excellence</td><td>0.1</td><td>0.0</td><td>0.0</td><td>0.0</td><td>0.1</td><td>0.0</td><td>0.0</td></tr> <tr><td>5 SwafS</td><td>0.0</td><td>0.0</td><td>0.0</td><td>0.0</td><td>0.0</td><td>0.35</td><td>0.0</td></tr> </tbody> </table>	Category	2014	2015	2016	2017	2018	2019	2020	1.1 ERC	0.0	0.0	0.0	0.0	0.0	0.55	0.0	1.2 FET	0.0	0.0	0.0	0.25	0.0	0.0	0.0	1.3 MSCA	0.0	0.0	0.55	0.1	0.15	0.25	0.4	1.4 Research Infrastructures	0.0	0.1	0.15	0.1	0.3	0.0	0.0	2.1 ICT	0.15	0.0	0.0	0.0	0.0	0.0	0.0	2.3 Space	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3.1 Health	0.1	1.5	0.0	0.0	0.0	0.0	0.4	3.2 Food	0.0	0.05	0.0	0.0	0.0	0.05	0.6	3.3 Energy	0.0	0.0	0.0	0.25	0.1	0.0	0.0	3.5 Environment	0.0	0.0	0.15	0.0	0.0	0.0	0.0	3.6 Societies	0.05	0.15	0.0	0.4	0.05	0.0	0.55	3.7 Secure Societies	0.0	0.15	0.0	0.0	0.0	0.0	0.0	4 Spreading Excellence	0.1	0.0	0.0	0.0	0.1	0.0	0.0	5 SwafS	0.0	0.0	0.0	0.0	0.0	0.35	0.0
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5 SwafS	0.0	0.0	0.0	0.0	0.0	0.35	0.0																																																																																																																		
<p>AA implementation report for 2016</p>	<p>In the area of cooperation in research, technological development and innovation, in 2015, a Policy Mix Peer Review of the Georgian Science, Technology and Innovation system was produced and its recommendations are being implemented. In April 2016, Georgia became an associated member of the EU programme Horizon 2020.</p>																																																																																																																								
<p>European Commission. Press Release, Georgia joins Horizon 2020, the EU's Research and Innovation Programme, 29 April 2016.</p>	<p>Researchers and innovators from Georgia will now be able to participate in Horizon 2020, the EU's framework programme for research and innovation, under the same conditions as their counterparts from EU Member States and other associated countries.</p> <p>The agreement associating Georgia to Horizon 2020 was signed today on behalf of the European Commission by Carlos Moedas, European Commissioner for Research, Science and Innovation, and Tamar Sanikidze, Georgian Minister for Education and Science.</p> <p>This Agreement allows for Georgia's enhanced cooperation with the EU in research and innovation, which are vital for successful and modern economies. It shows the commitment of the Union to develop the scientific and innovation capacity of its associated partners. It also represents another step towards reaching the EU goal of opening research and innovation to the world.</p> <p>Georgian research institutes, universities and individual researchers will now have access to all opportunities offered by Horizon 2020 that funds diverse scientific areas, from blue sky research to demonstration projects. Georgian SMEs and businesses will also be able to benefit from increased support to develop new ideas and bring products and services to the market.</p>																																																																																																																								
<p>European Commission (2018). Horizon 2020 Policy Support Facility.</p>	<p>The Georgian research and innovation (R&I) system has undergone considerable restructuring in recent years. New intermediate bodies have been established with the Shota Rustaveli National Science Foundation of Georgia (SRNSFG) and the Georgian Innovation and Technology Agency (GITA), which have developed focused support instruments. Public R&I spending has been increased significantly, although starting from a very low level. Georgia has become associated to the EU's Horizon 2020 programme for Research and Innovation and is successfully implementing Deep and Comprehensive</p>																																																																																																																								

<p>Specific Support to Georgia Improving the Effectiveness of Georgia's Research and Innovation System through Prioritisation, Selectivity of Funding and Science-Business Links.</p>	<p>Free Trade Area (DCFTA) with the EU. Although these measures will help the research and business communities to develop innovative ideas, from an international perspective, overall output and quality remain low. Georgia is a leader in doing business but a laggard in doing research. Business-friendly regulations, framework conditions and financial support are conducive to entrepreneurship and private investment. In contrast, in the research arena several reforms remain partial or unfinished. Problems such as fragmentation, red tape, lack of funding, a feeble equipment base or weak links between research and business are limiting Georgia's science and innovation potential and its connection with the economy. Against this backdrop, the Georgian government requested support from the Horizon 2020 Policy Support Facility (PSF) to catalyse reforms in three focus areas: 1. Support in the identification of promising research fields (prioritisation) 2. Proposal for the performance-based funding of research entities 3. Measures for narrowing the gap between research and industry/business.</p> <p>In this report, we detail 23 recommendations to this end. Two of those address overarching problems (low R&I funding and red tape) and the remaining address issues related to the focus areas of this report (prioritisation, performance funding, science-business links). Together, they make up an ambitious agenda that will take a substantial period to achieve. For the benefit of the Georgian STIS, the panel strongly advises the following steps in the framework of 'Strengthen 4C for Georgia':</p> <p>1st 'C' - Strengthen Coordination</p> <ul style="list-style-type: none"> • Improve the political governance of the R&I system – revise the role of the Research and Innovation Council and make it efficient by streamlining its membership and changing the set-up of the secretariat. • Create coordination mechanisms for scientific priority setting and implement focused reforms in that respect. • Stabilise the financial situation of public R&I performers – set up base-line funding based on evaluation and increasingly reward performance, to encourage scientists and innovators to take risks to develop marketable ideas. • Remove unnecessary legal and administrative burdens and urge science stakeholders to fully exploit their potential. <p>2nd 'C' - Strengthen Concentration</p> <ul style="list-style-type: none"> • Embed R&I policy in the country's overall economic (regional) policy. • Consolidate the fragmented research system, and finalise the reform of the Georgian National Academy of Sciences (GNAS). • Concentrate R&I resources – research teams and infrastructure. • Concentrate on a limited number of R&I priorities. <p>3rd 'C' - Strengthen Collaboration</p> <ul style="list-style-type: none"> • Create communication and coordination platforms to engage all relevant stakeholders. • Set up a portfolio of financial instruments to promote R&I collaboration. • Provide physical research infrastructure of adequate quality, and foster innovation-oriented collaboration around it. • Strengthen collaboration interfaces between public research organisations and businesses. <p>4th 'C' - Strengthen Coherence</p> <ul style="list-style-type: none"> • Guarantee the coherence of governance (authority) structures: define the roles at strategic, operational and performance levels. • Ensure coherence of base-line funding, open the allocation of base-line funding to all public research organisations (university research labs, research institutes). • Create coherence across R&I support measures: avoiding fragmentation and duplications, ensuring complementarity and a logic chain from research to
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AA implementation report for 2017	In the area of cooperation in research, technological development and innovation , Georgia became an associated member of the Horizon 2020 (H2020) programme in April 2016. Inter alia, it has benefited from access to the H2020 Policy Support Facility, which provides peer reviews and mutual learning exercises. In 2017, a specific support action was launched under this Facility to provide a set of concrete recommendations on how to tackle the key challenges outlined in the 2015 "Policy Mix Peer Review of the Georgian STI system".
AA implementation report for 2018	In the area of cooperation in research and innovation , Georgia has been associated to Horizon 2020 (H2020) programme since 2016. It has inter alia benefited from access to the H2020 Policy Support Facility, which provides peer reviews and mutual learning exercises. In June 2018 a report with a set of concrete recommendations on the modernisation of Georgia's research and innovation system was officially handed over to the Ministry of Education, Science, Culture and Sport. Under H2020, two 'InnovFin – EU Finance for Innovators' agreements signed between the European Investment Fund and Georgian banks make available a total of EUR 130 million in loans to innovative SMEs and small midcap companies.
AA implementation report for 2019	<p>In the area of cooperation in research and innovation, Georgia started the gradual implementation of Horizon 2020 policy support facility recommendations. These focused on: prioritising/identifying promising research fields; promoting science-business links; enhanced cooperation opportunities at institutional level; and measures to encourage the performance-based funding of research entities.</p> <p>Georgia took steps to internationalise its science sector and in September became a member of the EURAXESS research network. This will contribute to its integration into the European research area.</p>
AA implementation report for 2020	<p>In the area of cooperation in research and innovation, Georgia continued the gradual implementation of the recommendation of the Horizon 2020 policy support facility. These focused on simplifying and unifying the grant scheme, restructuring and revitalising its Research and Innovation Council, setting up a research and innovation system database, prioritising/identifying promising research fields and encouraging collaborative research and development.</p> <p>The participation rate of Georgia in Horizon 2020 remained high. Up to 25 September 2020, Georgian entities have participated 53 times in grants under Horizon 2020, receiving EUR 6.5 million of direct EU contributions.</p>
EU, Eap -PROMOTING CULTURE FOR A STRONGER GEORGIA, 2018 ¹²⁵	<p>In 2015, Georgia joined the Creative Europe programme, the EU's flagship programme to support the cultural, creative and audiovisual sectors. As a result of the agreement, Georgian cultural organisations are now able to participate fully in Creative Europe's Culture programme, which supports projects in:</p> <ul style="list-style-type: none"> • cultural cooperation • literary translation • cultural networks <p>platforms for cultural operators promoting emerging artists</p>
Mr. Levan Kharatishvili: "Participation In Creative Europe Programme Is A Significant Success For Georgia" ¹²⁶	<p>In 2015 the Ministry on Cultural Strategy was actively involved in the international work and as a result Georgia has become the first Eastern European Partnership Country to join the Creative Europe Programme. The high membership fee of 74 000 EUR paid by the Ministry of Culture and Monuments Protection opens up broad prospects to the culture professionals to receive funding from the Programme budget of 1,5 million allocated by European Union by the end of 2020. In my opinion, this is one of the most important achievements of the new management. Besides, with the support of the Eastern Partnership Cultural Programme II we have started developing the Cultural Strategy, for the first time in the Georgian history. The Ministry has already developed the draft document. This is a 10-year strategy with 8 strategic directions and its aim is to have a dramatically better cultural environment in the country for 2025. The EU and European Counsel institutions state that the process of the strategy development was exemplary not only for Eastern Partnership countries but the whole Europe, as the Ministry chose to take a complicated way of communicating with all the interested parties of the society, their involvement in the document drafting process which included numerous meetings, consultations, surveys etc. A special web-page was created to host the materials. The document will be approved by the Government in February 2016 and its implementation will be obligatory not only for the Ministry of Culture but for all institutions serving the development of the Country.</p>

¹²⁵ https://ec.europa.eu/neighbourhood-enlargement/system/files/2018-10/factsheet_eu_support_to_culture_georgia.pdf

¹²⁶ <https://www.culturepartnership.eu/en/article/levan-kharatishvili>

I-9.1.3 Progress on integration of Georgia into European Higher Education Area, including in terms of accreditation standards.

Georgia joined the Bologna Process in May 2005 and was one of the first ENP countries to introduce the European Credit Transfer System (ECTS) and diploma supplement. “Bologna” significantly changed the Higher Education system in the country while bringing it closer to the European standards. ECTS together with the National Qualifications Framework and programme accreditation enabled credit standardisation and brought Georgian higher education in line with the standards across the Bologna area. As a research paper by Diana Lezhava noted, *“It can be said that the Europeanization of higher education in Georgia was the only means of addressing severe domestic problems that were inherited by the post-revolutionary government.”* However, the reform process is not completed and Accreditation and Quality Assurance are still characterised by inconsistencies (see also I-7.3.4 for evidence). As pointed out in interviews, expectations among HE stakeholders regarding the role of “Bologna” for the HE reform process have sometimes been unrealistically high and overshadowed the importance of internal – rather than external – reform incentives and dynamics. Yet interlocutors left little doubt that particularly Erasmus+ programme proved to be a very good tool to enhance the quality of HE because its objectives were in line with Georgian attempts to reform HE. Furthermore, as one interview partner put it, *“Staff active in Erasmus programmes have also been the internal reform drivers. These are the people involved in the HE reform programmes in the country”*. Interlocutors also described Erasmus+ as an important tool to counter anti-European sentiments spread by political actors who would like to move Georgia closer to Russia again. At the same time, hopes by HE stakeholders to use Erasmus+ as a contribution towards integrating Abkhazian universities have yet been unfulfilled as the programme (unlike, for example, the British Chevening scholarships) does not allow for the participation of students from non-recognised territories. In addition, the EU’s strong focus on remote areas in its support to HE was described as being not fully suitable for Georgia where all universities were located in five cities and regional universities did not fit the concept of remote areas as no HE is more than four hours away from the capital. It was suggested that emphasis on new universities would be a more suitable approach in the case of Georgia.

The GoG has high expectations to move up the Erasmus+ ladder to become a “third country associated to the Programme” (like, for example, Serbia, Norway or Turkey). A request to the EU for a feasibility study was granted and a call for bids will be launched in second quarter of 2022.

As a further contribution to Georgia’s integration in the European integration system, an “Eastern Partnership European School and Scholarship Programme” as part of the “Youth Package for the Eastern Partners” . The vision for the European School was, according to the Action Document, *“to offer high quality education to pupils [...] thus increasing their employment opportunities, and to promote a better understanding of the EU and its engagement in the region”*. A pilot was launched in 2018 and the first cohort of 30 students graduated in June 2020. The Ministry sees the European school as a role model for Georgia and consider replicating it in the national education system, according to interviews. As one interlocutor put it, *“the European School is one of the most successful projects on the European side. It provides excellent opportunities. Students are recruited on competition. The best performing students from disadvantaged backgrounds, breakaway and rural regions. There are excellent opportunities for the graduates to enrol in high-ranking universities in the world”*.

Evidence	
Overall assessment of quality and credibility of evidence	Overall quality and credibility of evidence is assessed as Strong .
<i>Sources of information</i>	<i>Evidence</i>
AA implementation report for 2016	In the area of education, training and youth, Georgia continues implementing reforms in order to build a modern education and training system, in line with the European Higher Education Area. The government confirmed its intention to reform the education system with the aim to bridge the gap between educational programmes and labour market’s demands. The reform will foresee major changes concerning notably Vocational Education and Training. A National Youth Policy Document and its Action Plan (2015-2020) were adopted. Georgia has continued its active participation in Erasmus+.

AA implementation report for 2019	Georgia is making progress in aligning its quality assurance mechanism with the AA. The National Centre for Educational Quality Enhancement became a member of the European Association for Quality Assurance in Higher Education and was included in the European Higher Education Quality Assurance Register. Georgia continues its successful Erasmus+ participation in the areas of higher education and youth. It is one of the most successful countries as regards international credit mobility scholarships, ranking 6th of 141 participating countries.
National Erasmus+ Office Georgia. 15 Years of Bologna Process in Georgia: Achievements, Challenges and Recommendations, 2020	<p>Quality assurance in the Georgian higher education area is regulated by a number of legal acts: the Law of Georgia on Higher Education; The Law of Georgia on the Educational Quality Enhancement and other by-laws, as well as internal university regulatory documents. Evaluation of quality assurance mechanisms is an integral part of the authorization standards of higher education institutions (Standard 2.2) and the accreditation standards of educational programs (Standard 5.1, 5.2, 5.3).</p> <p>Since external quality assurance mechanisms have once again undergone changes and got based on Standards and Guidelines for Quality Assurance in the European Higher Education Area (ESG, 2015), new approaches to quality assurance have been developed, and particular emphasis were placed on: the involvement of all stakeholders and the mobilization of appropriate human, information and material resources to effectively manage the quality assurance processes of the University; the continuous evaluation of the institution's activities, resources and services and the use of these results for the further development of the institution's activities; assessment of the effectiveness of the quality assurance mechanisms provided by the institution (Order of the Minister of Education and Science of Georgia, 2018 № 07/N). More attention was paid on the university output assessment, such as assessment of research outcomes, learning outcomes, employment rate and others.</p> <p>Understanding of institutional effectiveness in the Georgian higher education area was introduced by the updated standards of authorization (Order of the Minister of Education and Science of Georgia, 2018 № 07/N), and this document also redefined the concepts of quality assurance: subject, stakeholder and implementing body.</p> <p>Overall however, the rushed-up policy implementations also have political implications. For example, in 2005 the initial QA system was introduced by the revolutionary government, with the ambition to eradicate corruption and westernize the governmental structures. Policy makers saw such circumstances as the window of opportunity to make radical changes. Since then we have seen very frequent changes of the Ministers of Education, even when the governing party remains the same. Changes of the Ministers were associated with the changes of the Directors of the QA agency. In several cases the Deputy Ministers were appointed as the directors of the QA agency, which created additional risks of independence and stability of the QA agency. The changes of the leadership results in the inconsistent application of external QA mechanisms, distortion of the system, biased evaluations and decision-making.</p>
Action Document for the European School in Georgia, 2019	The idea of having a European School for the Eastern Partnership was listed as one of possible new actions in the European Neighbourhood Policy Review, which states: "Engagement with young people across the neighbourhood will be stepped up by creating partnerships for youth. These partnerships will promote people to people contacts and networks for young people of all ages in the EU and neighbouring countries, to foster mutual respect, understanding and open societies. It should include a substantial increase in exchanges between schools and universities, including the potential for a pilot-project of a European School in the neighbourhood" 2 . The establishment of the Eastern Partnership European School and Scholarship Programme is now part of the "Youth Package for the Eastern Partners" and one of the "Eastern Partnership - 20 Deliverables for 2020" endorsed by the Brussels Eastern Partnership Summit Declaration of November 2017. With that, special attention is placed on youth development, education and employability. The vision for this teaching institution was to offer high quality education to pupils from partner countries, to provide concrete opportunities to young generations to find more and better employment, and to learn and grow in a co-operative, multi-cultural and multilingual environment. The EaP European School was envisaged to promote, among students, a better understanding of the EU and of its engagement in the region. In this regard, complementarity with the activities of existing Member States' schools work in promoting EU goals and values was reinforced.
The Eastern Partnership European School Project, Annual Report 2020	<p>During 2020, the Project progressed in accordance with the Action Plan outlined in the Description of Action (DoA) and all planned activities and outcomes were implemented and achieved.</p> <p>The selection process of the third cohort of students commenced in April 2020 as a result of the successful Call for Scholarships (CfS) campaign for the academic year 2020/2021. Based on the initial screening of applications and conducted tests, 71 applicants were shortlisted for the interviews. UNOPS provided active support to the Grantee throughout the entire selection process. The UNOPS representatives attended all interviews as observers and prepared corresponding interview minutes. As a result of the rigorous selection process, 40 successful applicants from all EaP countries were selected as the third cohort of the Project. Detailed report about the selection process is attached as Annex V to this report.</p>

	<p>The Reporting period also marked an important milestone for the Project, the graduation of the first cohort of 30 students. An online Graduation Ceremony was held via Zoom platform on 23 June 2020 and attended by the Minister of Education, Science, Culture and Sport of Georgia, EU Commissioners, the EU Ambassador to Georgia, the UNOPS Under Secretary General and Executive Director as well as representatives of the International Baccalaureate (IB) Organization, diplomatic corps, the Delegation of the European Union to Georgia (EUD), New School leadership and faculty, students and their parents and other dignitaries. The event was widely covered by Georgian as well as EaP media outlets.</p> <p>As a result of negotiations held during the reporting period among the Ministry of Education, Science, Culture and Sport of Georgia (MoESCS), the EC and the New School it was decided that the students of the first cohort will be granted two Diplomas: Georgian and IB. This will enable programme graduates to continue higher education in international or local universities in their respective countries.</p>
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JC9.2 Results of visa liberalisation and the Mobility Partnership

Results of visa liberalisation and the Mobility Partnership

I-9.2.1 Increased Georgia-Europe tourism flows.

Georgia has benefitted from short-term visa-free travel since March 2017. Since then, numbers of Georgian citizens travelling to the Schengen area have increased reaching over 1 150 000 visits since its entry into force.

There has also been an increase over time in the number of European tourists visiting Georgia. If we take the average monthly visits in 2015 (before visa liberalisation) and compare them to 2019, these have more than doubled during this period. In the EaP region, Georgia has been the most visited country by tourists from the EU, far surpassing the rest. However, there is not enough official data to see the evolution of tourism flows from Georgia to Europe.

<i>Evidence</i>	
Overall assessment of quality and credibility of evidence	Data for outbound tourism visits from Georgia are only available starting 2019 (both in GEOSTAT and Eurostat). The evidence is assessed as Medium in strength.
<i>Sources of information</i>	<i>Evidence</i>
AA implementation report for 2017	Visa liberalisation for Georgian citizens entered into force on 28 March 2017. Since then, Georgians, holders of biometric passports, can travel (short stays) to the Schengen Area without a visa. Sustained implementation of the Visa Liberalisation Benchmarks remains an obligation for Georgia and it is in this context that a fully-fledged monitoring system of passengers travelling to the Schengen Area was established and information campaigns on the rules of visa free travel have been regularly conducted. A meeting of the Local Cooperation Platform under the EU-Georgia Mobility Partnership took place on 9 June 2017. During the meeting, the modalities of further cooperation under the Mobility Partnership were discussed. The priority areas addressed by the Partnerships' projects are: legal migration and mobility; fighting irregular migration and reintegration and asylum.
AA implementation report for 2018	As regards visa liberalisation for Georgian citizens holding biometric passports, information campaigns on the rights and obligation of visa-free travel have continued, especially in rural areas. Sustained implementation of the Visa Liberalisation Benchmarks remains an obligation for Georgia, and Georgia has taken a number of actions to continue to address the challenge of unfounded asylum applications and to increase operational cooperation with Member States most affected by irregular migration from the country. Georgia for instance introduced an amendment of the Law on Civil Acts (which restricted terms and conditions for changing the last name) in April 2018, made progress in implementing the 2016-2020 Migration Strategy and its Action Plan and engaged in awareness-raising activities.

Commission Staff Working Document accompanying the document: First Report under the Visa Suspension Mechanism (2017)	According to information received from Georgia, between 28 March and 30 November 2017, 173,396 Georgian citizens enjoyed the visa free travel to the Schengen area. Georgia has been carrying out three phases of nation-wide campaigns and trainings on the rules of visa free travel and is monitoring travels to the Schengen area.																																																																																																
Commission Staff Working Document accompanying the document: Second Report under the Visa Suspension Mechanism (2018)	According to information received from Georgia, between 28 March 2017 and 1 September 2018, around 291,943 Georgian nationals enjoyed the visa free travel to the Schengen area.																																																																																																
SWD(2019) 16 final Association Implementation Report on Georgia	Georgia has benefitted from short-term visa-free travel since March 2017. Between 28 March and 1 September 2018 around 300 000 Georgian citizens enjoyed short-term visa-free travel to the Schengen area. The country has continued implementing the visa benchmarks																																																																																																
SWD(2020) 30 final Association Implementation Report on Georgia	A visa-free regime is in place for Georgian citizens to visit Schengen and Schengen associated countries and almost 900.000 visits have been made By Georgian citizens since its entry into force. However, the number of asylum requests made by Georgians in EU/Schengen countries remained high in 2019, exceeding the overall number of asylum requests in 2018 and 2017, ranking Georgian nationals amongst the top nationalities requesting international protection in the EU. Georgia has continued to pro-actively address the challenge of increased unfounded asylum applications.																																																																																																
SWD(2021) 18 final Association Implementation Report on Georgia	Georgian citizens have made over 1,150,000 visits since its entry into force in March 2017. The third report under the Visa Suspension Mechanism adopted on 10 July 2020 confirmed that visa liberalisation benchmarks continue to be fulfilled. The high number of unfounded asylum applications remains a challenge despite the decrease in 2020, in the context of the introduction of COVID-19 related travel restrictions.																																																																																																
Eurostat (online data code: enpe_tour_occ_arnat and tour_occ_arnat)	<p>Table 2: Arrivals of non-residents at hotels and similar establishments, 2009-2019 (thousands)</p> <table border="1"> <thead> <tr> <th></th> <th>2009</th> <th>2010</th> <th>2011</th> <th>2012</th> <th>2013</th> <th>2014</th> <th>2015</th> <th>2016</th> <th>2017</th> <th>2018</th> <th>2019</th> </tr> </thead> <tbody> <tr> <td>EU</td> <td>194.613</td> <td>208.787</td> <td>224.365</td> <td>229.789</td> <td>:</td> <td>251.284</td> <td>265.146</td> <td>275.486</td> <td>296.191</td> <td>307.793</td> <td>316.383</td> </tr> <tr> <td>Armenia</td> <td>66</td> <td>70</td> <td>124</td> <td>137</td> <td>149</td> <td>165</td> <td>165</td> <td>175</td> <td>265</td> <td>308</td> <td>550</td> </tr> <tr> <td>Azerbaijan</td> <td>209</td> <td>212</td> <td>258</td> <td>372</td> <td>396</td> <td>393</td> <td>496</td> <td>777</td> <td>981</td> <td>1.234</td> <td>1.317</td> </tr> <tr> <td>Belarus</td> <td>384</td> <td>505</td> <td>594</td> <td>728</td> <td>740</td> <td>742</td> <td>688</td> <td>813</td> <td>918</td> <td>1.037</td> <td>1.116</td> </tr> <tr> <td>Georgia</td> <td>151</td> <td>307</td> <td>439</td> <td>626</td> <td>774</td> <td>866</td> <td>1.170</td> <td>1.670</td> <td>2.355</td> <td>2.615</td> <td>2.868</td> </tr> <tr> <td>Moldova</td> <td>57</td> <td>61</td> <td>71</td> <td>85</td> <td>90</td> <td>89</td> <td>89</td> <td>114</td> <td>135</td> <td>149</td> <td>161</td> </tr> <tr> <td>Ukraine (!)</td> <td>795</td> <td>991</td> <td>1.059</td> <td>1.165</td> <td>1.276</td> <td>527</td> <td>628</td> <td>819</td> <td>878</td> <td>874</td> <td>896</td> </tr> </tbody> </table>		2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	EU	194.613	208.787	224.365	229.789	:	251.284	265.146	275.486	296.191	307.793	316.383	Armenia	66	70	124	137	149	165	165	175	265	308	550	Azerbaijan	209	212	258	372	396	393	496	777	981	1.234	1.317	Belarus	384	505	594	728	740	742	688	813	918	1.037	1.116	Georgia	151	307	439	626	774	866	1.170	1.670	2.355	2.615	2.868	Moldova	57	61	71	85	90	89	89	114	135	149	161	Ukraine (!)	795	991	1.059	1.165	1.276	527	628	819	878	874	896
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		Monthly average number of inbound visitors of age 15 and older and visits made by them by country of citizenship, thousand						
		Countries/ # of visitors	2015	2016	2017	2018	2019	2020
GEOSTAT, Ministry of Internal Affairs of Georgia	Georgia*	30,2	29,5	31,4	32,5	33,0	9,5	
	Armenia	74,7	71,3	79,1	76,7	80,5	13,6	
	Azerbaijan	70,7	65,8	80,6	88,2	92,9	17,7	
	Russia	52,1	59,5	79,7	100,4	101,9	13,8	
	Turkey	61,0	55,4	56,1	63,6	66,9	16,5	
	Ukraine	9,3	11,2	12,6	13,3	15,7	3,2	
	Iran	1,6	9,9	21,8	22,4	10,8	1,3	
	Israel	4,4	6,9	9,3	12,8	16,6	2,1	
	EU Member Countries	15,9	17,4	21,5	29,6	37,2	5,6	
	Other Countries	15,9	23,3	34,5	39,9	50,4	8,6	
Total		335,8	350,1	426,5	479,3	506,0	91,8	
EU-Georgia Association Committee, 26 June 2018	The EU assessed the first year of visa liberalisation as overall positive, but important challenges remained. Abuses of visa free travel and unfounded asylum applications by Georgian citizens raised serious concerns among some EUMS. The EU acknowledged GE's undertaken efforts, but stressed the need for further measures. GE underlined the importance of visa liberalisation and its commitment to continue fulfilling its requirements. 254.851 Georgians travelled under the visa free regime since March 2017.							
Fifth EU-Georgia Association Committee on 18 June 2019.	On the visa-free regime , Georgia indicated that so far 423,000 citizens travelled to the EU/the Schengen area visa-free, accounting for 760 000 visits. The EU welcomed this, but at the same time reiterated concerns over the increasing flow of unfounded asylum applications from Georgian citizens, which was worrying in view of the visa suspension mechanism, and called for immediate further actions.							

I-9.2.2 Well-functioning return and readmission processes, including tourist visa overstay.

Since visa liberalisation, return and readmission have been assessed as functioning well.

Evidence	
Overall assessment of quality and credibility of evidence	As review of return and readmission is part of the regular visa liberalisation process, evidence for this indicator is assessed as Strong .
<i>Sources of information</i>	<i>Evidence</i>
EU Readmission agreements and other "EU arrangements"	Cooperation on return and readmission with Georgia continues to work well even in the context of increasing Georgian nationals ordered to leave (16,535 in 2019, up by 70%). The decrease in return rate in 2019 (from 66% in 2018 to 52% in 2019) is to be seen in bigger context, specifically in the Member States' internal administrative obstacles (insufficient use of detention and consequent absconding, lengthy asylum and appeal

– State of play. October 2020 Ares(2020) 4923453	procedures, nonrecognition of Georgia as a safe third country despite Georgia's repeated requests to do so, among others), and is not to be attributed to cooperation by Georgian authorities, which the Member States deem excellent, also thanks to a performant Readmission Case Management System (used by 19 Member States, the rate of positive replies to readmission requests stands above 90%). Georgia recently re-confirmed its commitment by excellent cooperation in three return operations (with almost 400 returnees) from Cyprus organized with the support of Frontex during the pandemic.
First Report under the Visa Suspension Mechanism (2017)	The number of Georgian citizens ordered to leave decreased by 12% from 6,415 in 2015 to 5,635 in 2016, while the return rate increased from 45.13% in 2015 to 55.90% in 2016. While the return rate remains relatively modest, readmission cooperation is deemed excellent by Member States and the vast majority of readmission requests filed in 2016 were approved by Georgian authorities.
Commission Staff Working Document accompanying the document: First Report under the Visa Suspension Mechanism (2017)	<p>The number of persons of Georgian nationality ordered to leave decreased from 6,415 in 2015 to 5,635 in 2016, while the return rate increased from 45% in 2015 to 55.9% in 2016. However, this relatively modest return rate does not necessarily reflect Georgia's response to readmission application once these are submitted by the Member States. In fact, cooperation with Georgia on readmission is assessed as exemplary. This was confirmed in the last meeting of the Joint Readmission Committee which took place on 21 March 2017 in Tbilisi. With EU support, Georgia has an Electronic Readmission Case Management System (RCMS) currently used by 17 Member States who all expressed satisfaction with its use. MS using RCMS currently receive travel documents free of charge. Georgia also intends to develop a possibility of printing travel documents directly by EU MS.</p> <p>Georgia is also making efforts to conclude further readmission agreements with EU and other countries. In the course of 2016, the following new readmission agreements entered into force: with Denmark (1 August); Belarus (18 June) and Moldova (1 August). Furthermore, Georgia initiated new agreements with other third countries, both origin and destination countries (Serbia, Montenegro, Pakistan, Iceland, Afghanistan, Kazakhstan, Kyrgyzstan, Iraq etc.).</p>
Commission Staff Working Document accompanying the document: Second Report under the Visa Suspension Mechanism (2018)	<p>Georgia's cooperation on readmission and return is deemed excellent and efficient by the EU Member States and the vast majority of readmission requests filed in 2017 were approved by Georgian authorities. After a slight decrease in 2016, the number of Georgian nationals ordered to leave increased by 29% from 5,650 in 2016 to 7,275 in 2017, which mirrors the increased number of asylum applications in 2016. At the same time the return rate increased from 55.90% in 2016 to 62,47% in 2017.</p> <p>With EU support, Georgia has developed an Electronic Readmission Case Management System (RCMS) currently used by 17 Member States who all expressed satisfaction with its use and especially appreciated the very high rate of positive readmission requests and the timely manner in which Georgia handles the applications. More than 90% are handled within the limits as stipulated by the EU-Georgia Readmission Agreement. Georgia has introduced an electronic travel document (eTD), which as per the 13 September 2018 Ministerial order, may be used by Georgia for readmission purposes, alongside the usual printed document.</p>
Commission Staff Working Document accompanying the document: Third Report under the Visa Suspension Mechanism (2020)	<p>Georgia's cooperation on readmission and return is functioning well and is deemed efficient by the EU Member States. The vast majority of readmission requests filed in 2019 was approved by the Georgian authorities. The number of Georgian nationals ordered to leave increased from 9,675 in 2018 to 16,280 in 2019, mirroring the increase of unfounded asylum applications. At the same time, despite the general increase of return operations and number of persons effectively returned, the return rate decreased from 65% in 2018 to 52% in 2019. However, the obstacles to return can also be attributed to the administrative procedures on the part of some of those Member States that account for the majority of irregular migrants to be returned.</p> <p>According to Frontex, in 2019 Georgia ranked first among visa free Eastern Partnership countries for returns with 1,108 nationals returned in the course of 29 return operations by charter flights coordinated by the Agency. For many years, Georgia has been the only country in the region allowing returns by all types of return operations by charter flights.</p> <p>EU Member States especially appreciate the timely manner in which Georgia handles the applications (more than 90% readmission applications are handled within the limits as stipulated by the EU-Georgia readmission agreement), the very high rate (98% in 2018) of positive replies to readmission requests and the fact that since October 2018 they are able to print electronic emergency travel documents directly from the platform. 1961 travel documents have been issued in this way so far. The system is often used as an example of good practice of technology in use for other third countries.</p>

ENP implementation report for 2014	Regarding the visa liberalisation action plan, Georgia successfully met the first-phase requirements of the visa dialogue related to the legislative and policy framework. The second phase, where the effective implementation of this framework is scrutinised by the European Commission, was launched in October. Implementation of the visa facilitation and readmission agreements has continued in a satisfactory way, with an overall positive impact.
SWD (2015) 66 final Implementation of the European Neighbourhood Policy in Georgia Progress in 2014 and recommendations for actions	Since September a new Migration Department has been operational within the Ministry of Internal Affairs. An 'overstayers alert system' was launched in September and a temporary accommodation centre for irregular migrants opened. The government approved the 'procedure for removing irregular aliens'. Georgia has yet to establish a 'unified migration analytical system' to strengthen the analytical capacities of migration management agencies and institutionalise reintegration mechanisms for Georgian citizens. To accelerate its development, a working group was created in February. It is expected that the system will become operational by mid-2016.
AA implementation report for 2016	In the area of migration, Georgia has adopted a new Migration Strategy (2016-2020) and its related Action Plan (2016-2017). A comprehensive migration risk analysis system is being gradually developed with a dedicated action plan (2016-2017). Georgia signed implementing protocols to its Readmission Agreement with the EU with the Slovak Republic, in November 2015, and with the Federal Republic of Germany, in April 2016.
AA implementation report for 2018	Georgia's cooperation on readmission and return is functioning well, as concluded by the EU Member States during the June 2018 meeting of the EU-Georgia Joint Readmission Committee.
AA implementation report for 2019	The visa-free regime is in place since March 2017. The first and second Visa Suspension Mechanism Report identified a constant increase of asylum applications. The number of unfounded asylum requests made by Georgian nationals in EU/Schengen countries increased in 2019. Despite a dip in the summer, the overall number of asylum applications was higher than in 2018, ranking Georgian nationals amongst top nationals requesting international protection in the EU. Georgia has continued to pro-actively address the challenge of increased asylum applications. In view of this, the Commission, the Justice and Home Affairs Agencies, the EU Member States and the Georgian authorities work together on a set of operational measures to decrease irregular migration and crime-related challenges linked to the visa-free travel of Georgian citizens to the EU, in line with the recommendations of the visa suspension mechanism report. Georgia adopted in April amendments to the Criminal Code, which foresees the criminalisation of the facilitation of illegal stay of Georgian nationals abroad
AA implementation report for 2020	<p>The third report under the Visa Suspension Mechanism, adopted on 10 July 2020, confirmed that Georgia has taken actions identified in the second report and the visa liberalisation benchmarks continue to be fulfilled. Despite the decrease in the return rate, the cooperation on readmission is good. Georgia has put in place concrete measures to address irregular migration and crime related challenges, notably the Law on the Rules and Procedures for Georgian Citizens exiting and entering Georgia in September 2020, which entered into force in January 2021. Further immediate actions are needed to address visa-free related challenges, in particular the high number of unfounded asylum applications.</p> <p>The Commission, the Justice and Home Affairs Agencies, the EU Member States and the Georgian authorities have worked together on a set of operational measures to decrease irregular migration and crime-related challenges linked to visa-free travel of Georgian citizens to the EU, in line with the recommendations of the visa suspension mechanism report. These include information campaigns on the rights and obligations of visa-free travel and strengthening cross-border law enforcement cooperation to fight against Georgian organised crime groups.</p>

I-9.2.3 Effective EU-Georgia cooperation on the fight against human smuggling, trafficking in human beings, and organised crime more broadly.

There has been good cooperation on border management to reduce irregular migration, as well as reform of the criminal code to criminalise the facilitation of irregular migration.

<i>Evidence</i>	
Overall assessment of quality and credibility of evidence	Specific information on THB, and organised crime, is still lacking, as is information on spending actions by DG HOME. The evidence for this indicator is assessed as Medium .
<i>Sources of information</i>	<i>Evidence</i>
SWD(2019) 16 final Association Implementation Report on Georgia	Sustained implementation of the Visa Liberalisation Benchmarks remains an obligation for Georgia, and Georgia has taken a number of actions to continue to address the challenge of unfounded asylum applications and to increase operational cooperation with Member States most affected by irregular migration from the country. Georgia for instance introduced an amendment of the Law on Civil Acts (which restricted terms and conditions for changing the last name) in April 2018, made progress in implementing the 2016-2020 Migration Strategy and its Action Plan and engaged in awareness-raising activities.
SWD(2020) 30 final Association Implementation Report on Georgia	Georgia maintained its efforts to strengthen border management stepping up cooperation with the European Border and Coast Guard Agency. "Joint Operation Coordination Points 2019 Air and Joint Operation Focal Points 2019 Air" were launched in the beginning of 2019 to address irregular migration and to improve pre-departure checks.
SWD(2021) 18 final Association Implementation Report on Georgia	The Commission, the Justice and Home Affairs Agencies, the EU Member States and the Georgian authorities have worked together on a set of operational measures to decrease irregular migration and crime-related challenges linked to visa-free travel of Georgian citizens to the EU, in line with the recommendations of the visa suspension mechanism report. These include information campaigns on the rights and obligations of visa-free travel and strengthening cross-border law enforcement cooperation to fight against Georgian organised crime groups. Georgia continued its efforts to strengthen border management, stepping up cooperation with the European Border and Coast Guard Agency (Frontex). In June 2020, a new working arrangement between Frontex and Georgia was approved. It aims to counter irregular migration and cross-border crime and to exchange information and best practices in the field of border management including return, also through joint risk analysis. The security and surveillance infrastructure of the Border Police was further expanded and capacities of border management institutions strengthened.
Commission Staff Working Document accompanying the document: Third Report under the Visa Suspension Mechanism (2020)	<p>The first and second Visa Suspension Mechanism reports already identified the ongoing increase of asylum applications, warranting immediate action. Georgia continued to proactively address this challenge. As a result, the EU Member States and the Georgian authorities worked together on a set of operational measures to decrease irregular migration challenges. This led to a number of concrete operational actions to decrease the irregular migration and crime-related challenges that are implemented by the Georgian authorities, the Commission and the Justice and Home Affairs Agencies. To tackle the misuse of the visa-free regime, the Georgian authorities amended the Criminal Code in April 2019, to introduce criminal responsibility and punishment for those facilitating/organising irregular migration of Georgian citizens. Consequently, facilitating/organising the conditions for illegal stay of Georgian citizens to receive financial or other material benefit in foreign countries or facilitating/organising the provision of false information about the violation of rights and freedoms of Georgian citizens in Georgia in order to receive asylum in a foreign country, is a punishable action. [...]</p> <p>Further steps were taken to improve the cooperation with Interpol on prompt and systematic reporting on lost and stolen passports. The agreement signed with Interpol on 28 May 2019 granted Georgia direct access to Interpol's database.</p> <p>Georgia has a long track record of structured cooperation with the European Border and Coast Guard Agency (Frontex). The European Commission approved in June 2020 an upgraded Working Arrangement between Frontex and the competent Georgian authorities. The new arrangement will allow for enhanced cooperation in areas such as information exchange, training, joint risk analysis, joint operations and return.</p> <p>To mitigate the flow of irregular Georgian migrants arriving at EU airports, Frontex, together with the Georgian authorities and EU Member States, launched an ongoing Joint Activity in the framework of Joint Operation Coordination Points 2019 Air and Joint Operation Focal Points 2019 Air in the spring of 2019.</p>
Commission Staff Working Document accompanying the document: Third Report	Organised crime groups from Georgia continue to be reported as highly active in the Schengen+ area. Georgian organised groups have changed their activities in several EU Member States from domestic burglaries to organised shoplifting. Some of them have also moved to other countries for

under the Visa Suspension Mechanism (2020)	<p>their operations. This is probably at least to some extent the result of increased efforts undertaken by many EU Member States in recent years to tackle organised crime.</p> <p>As regards the prevention of organised crime, Georgia continues to further improve crime prevention tools, including the expansion of community-oriented and intelligence-led policing.</p> <p>With the EU's support for the "Fight against Organized Crime" project, Georgia carried out several training courses, including on SIENA, and a trainer manual on community policing was delivered in 2019. Two visits to Europol were organised in 2019 for the Ministry of Internal Affairs and the State Security Service staff respectively in order to enhance their cooperation and the information flow. In terms of institution building, the project also analysed the processes and put forward a number of recommendations on the most suitable model to fight organised crime; specific attention was paid to enhancing the capacities of Ministry of Internal Affairs to fight cybercrime.</p> <p>In 2020, the EU signed a regional project for the Eastern Partnership countries with UNICRI (on asset recovery from organised crime proceeds), with CEPOL and with Europol. The latter also foresees joint investigations, operations and task forces with the EU and EU Member State agencies.</p> <p>Through its criminal justice project the EU also supported several activities linked to the operationalisation of the Eurojust agreement with the Ministry of Justice and Prosecutor's Office, as far as it is focused on cross-border judicial cooperation in fighting organised crime.</p> <p>Georgia continues the prevention and fight against organised crime within the framework of its National Strategy and Action Plan.</p> <p>As regards law enforcement cooperation, Georgia continued its efforts to reinforce bilateral cooperation in the field of combating crime and police cooperation. Georgia has advanced its cooperation with partner countries and expanded the network of police attachés (deployment of police attachés to 16 partner states , including 11 EU Member States).</p>
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I-9.2.4 Mutually beneficial labour migration agreements concluded with EU MS and delivering results.

It is broadly known that the very small numbers of Georgians benefitting from European work visas under the Mobility Partnership has been a disappointment.

Evidence	
Overall assessment of quality and credibility of evidence	Evidence for this indicator is assessed as Weak .
<i>Sources of information</i>	<i>Evidence</i>
ENP implementation report for 2014	Implementation of the EU-Georgia Mobility Partnership continued. Georgia and Germany elaborated a tailored 'circular' migration scheme. Thirty Georgians (75 % of them women) were selected for employment in Germany and 23 members of the Georgian diaspora in Germany were employed in development-relevant positions in the public and private sectors in Georgia.
AA implementation report for 2016	In April 2016, the EU and Georgia held their 2nd High-Level Mobility Partnership meeting in Brussels with the aim to take stock of the actions taken within the framework of the Georgia-EU Mobility Partnership, and share views on further enhancing the cooperation in the area. All parties agreed that a local cooperation platform should take place in 2017.
AA implementation report for 2019	MoIDPLHSA established a dedicated unit to deal with labour (circular) migration. Georgia has continued bilateral consultations with EU Member States on cooperation in the framework of the mobility partnership .



EVALUATION OF THE EUROPEAN UNION EXTERNAL ACTION

EVALUATION OF THE EU'S COOPERATION WITH GEORGIA

Final Report

Volume III: Annexes

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Evaluation of the EU's cooperation with Georgia

Final report

The report consists of three volumes:

VOLUME I – MAIN REPORT

1. Introduction
2. Key methodological elements
3. Overview of EU cooperation with Georgia
4. Main findings
5. Conclusions
6. Recommendations

VOLUME II – COMPLEMENTARY INFORMATION AT JC AND INDICATOR LEVEL

Cluster 1: Transversal EQs

1. EQ1 - Policy and strategic framework
2. EQ2 - EU complementarity and added value
3. EQ3 - Instruments, modalities, and funding channels

Cluster 2: Thematic EQs

4. EQ4 - Public Administration Reform, including Public Financial Management
5. EQ5 - Justice, Rule of Law, democratic governance, and human rights
6. EQ6 - Agriculture and rural development
7. EQ7 - Economic development and market opportunities (DCFTA, SMEs, VET)
8. EQ8 - Connectivity (energy, transport, environment and climate change)
9. EQ9 – Mobility and people-to-people contacts

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2. List of interventions
3. Intervention logic
4. Evaluation matrix
5. EU-Georgia partnership
6. Cross-cutting issues
7. Mapping of EU support in Georgia
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1 Annexes

Annex I. Terms of reference

Annex II. List of interventions

The tables below summarise the main interventions funded by the EU in Georgia and the Eastern Partnership region between 2014-2020.

EU interventions in Georgia

Public Administration Reform, including Public Financial Management

Table 1 List of bilateral interventions 2014-2020: Public Administration Reform sector (including Public Financial Management)

Intervention title	Related contracts	Ctr year	Dec/Ctr reference	Contracted amount (EUR)
ENI / ENPI				
PAR BS - Support to Public Administration Reform			D-37832	
	<i>Support to Public Administration Reform (budget support)</i>	2016	c-381346	16.675.000
	<i>Support to the Public Administration reform in Georgia</i>	2019	c-404675	4.430.400
	<i>Capacity building of the Civil Service Bureau of Georgia to implement civil service reform</i>	2018	c-399591	1.200.000
	<i>Increased role of local governments in the multilevel territorial governance</i>	2019	c-409054	826.980
	<i>Creation of sustainable PAR monitoring system through developing specific assessment frameworks and engaging in large-scale M&E efforts nation-wide</i>	2019	c-409705	500.000
	<i>Top-up to the Contract No ENI/2017/389-213 Support to the Inter-Agency Gender Equality Commission</i>	2019	c-408864	500.000
	<i>Municipal Service Quality Assessment Toolkit (MUSCAT)</i>	2019	c-410150	450.000
	<i>Contributing to PAR through Civic Monitoring and Engagement</i>	2019	c-409956	449.492
	<i>A common forum for CSOs from Guria, Imereti and Racha-Lechkhumi for PAR Roadmap monitoring</i>	2019	c-409955	377.068
	<i>Compliance reviews 2017 and 2018 – EU Budget support programme - Support to the Public Administration Reform in Georgia</i>	2017	c-389348	194.470
	<i>Compliance review – EU Budget support programme - Support to the Public Administration Reform in Georgia</i>	2017	c-383838	55.396
PFPR - Support to Public Finance Policy Reform			D-24705	
	<i>Budget Support under the decision 24705 - Support to Public Finance Policy reform</i>	2015	c-361908	18.550.000
	<i>Supporting Public Finance Policy and Management Reforms in Georgia</i>	2014	c-355372	1.341.524

Intervention title	Related contracts	Ctr year	Dec/Ctr reference	Contracted amount (EUR)
EU 4 Ec & Fiscal Gov - EU 4 Economic Governance and Fiscal Accountability			D-41405	
	<i>Economic Governance and Fiscal Accountability-Budget Support Contract</i>	2019	c-409119	15.000.000
	<i>Economic Governance and Fiscal Accountability Project</i>	2020	c-416172	2.200.000
Facility for the Implementation of the Association Agreement in Georgia			D-23281 D-39337	
	<i>Facility for the implementation of EU-Georgia Association Agreement - II</i>	2018	c-403464	3.346.600
	<i>Facility for the Implementation of the Association Agreement in Georgia</i>	2015	c-362304	2.381.745
Institutional Strengthening of the State Audit Office of Georgia			D-23281 D-24706	
	<i>Institutional Strengthening of the State Audit Office of Georgia</i>	2017	c-385177	2.183.800
	<i>Institutional Strengthening of the State Audit Office of Georgia</i>	2014	c-344448	1.105.101
Other ENI/ENPI (contracts from various decisions)				
	<i>Strengthening the National Bank of Georgia capacity in the field of Banking and Payment Services in line with the EU Standards</i>	2019	c-404871	1.750.000
	<i>Strengthening the Capacity of the Georgian Statistical System</i>	2019	c-404655	1.670.852
	<i>Establishing Efficient Protection and Control System of Geographical Indications (GIs) in Georgia</i>	2018	c-403206	1.500.000
	<i>Strengthening public Procurement practices in Georgia</i>	2018	c-402764	1.399.638
	<i>Support to further development of standardization and metrology infrastructure in Georgia to meet EU best practices.</i>	2015	c-356339	1.396.469
	<i>Strengthening Blood Safety System in Georgia</i>	2019	c-411554	1.300.000
	<i>Strengthening Administrative Capacity of the Georgia Revenue Service in Taxation</i>	2014	c-341767	1.254.112
	<i>Strengthening capacities of the Service for Accounting, Reporting and Auditing Supervision in Georgia</i>	2018	c-399433	1.250.000
	<i>Supporting the Georgian National Communication Commission (GNCC) in developing of its electronic communications regulatory framework and operational capacities in line with EU regulatory framework</i>	2017	c-389012	1.225.819
	<i>Strengthening Capacity of the Competition Agency of Georgia</i>	2020	c-415920	1.200.000
	<i>Capacity Building of the Investigation Service of the Ministry of Finance of Georgia</i>	2015	c-358641	1.163.100
	<i>Support to Sakpatenti</i>	2019	c-413050	1.000.000
	<i>PEFA assessment, quality check and validation for Georgia</i>	2017	c-387885	250.000
	<i>Support to Georgian Accreditation Centre (GAC) in Management Information System (MIS)</i>	2014	c-344849	145.000

Justice, Rule of Law, democratic governance and human rights

Table 2 List of bilateral interventions 2014-2020: Justice, Rule of Law, and democratic governances sector

Intervention title	Related contracts	Ctr year	Dec/Ctr reference	Contracted amount (EUR)
ENI / ENPI				
Justice BS - Support to the Justice Sector Reform in Georgia			D-37376	
	<i>Support to Justice Sector in Georgia</i>	2015	c-366002	18.450.000
	<i>Enhancing Access to Justice and Development of a Child-Friendly Justice System in Georgia</i>	2015	c-360626	2.958.111
	<i>Support to the Development of the Criminal Policy, Prosecution and Investigation in Georgia</i>	2016	c-377946	2.723.219
	<i>Support to the Independence, Accountability and Efficiency of the Judiciary in Georgia</i>	2016	c-377910	2.653.209
	<i>Support to the Development of the Penitentiary and Probation Systems in Georgia</i>	2016	c-377963	2.122.500
	<i>Support to the Development of Private and Administrative Law System in Georgia</i>	2015	c-360624	1.874.086
	<i>Qualification for Re-integration a way back into society</i>	2016	c-382113	800.000
	<i>Step by Step Towards a Better Future (Phase II) - Complementary Rehabilitation and Re-socialisation Support for prisoners, former inmates and probationers in Georgia through integrative VET training, job counselling, mentoring and sub-granting</i>	2016	c-382282	799.850
	<i>Program for Supporting Former Inmates, Inmates Families and Probationers</i>	2016	c-381864	789.139
	<i>Training And Employment Support Initiative (TESI) In The Criminal Justice Sector In Georgia</i>	2016	c-381344	688.500
	<i>Monitoring Government's Commitments and Promoting Reforms in the Penal Sector through the Engagement of CSOs</i>	2018	c-396004	460.170
	<i>Improved opportunities for psycho-social rehabilitation and re-socialization of inmates, former inmates and probationers in Georgia.</i>	2016	c-381373	456.659
	<i>Improving Secondary Crime Prevention Process for juveniles and children in conflict with the law in Georgia</i>	2016	c-381389	299.705
	<i>PrIME - Promoting Prosecutorial Independence through Monitoring and Engagement</i>	2018	c-396009	269.991
	<i>Supporting effective implementation of judicial reforms through multifaceted approaches</i>	2018	c-395919	227.074
	<i>Contribution to the process of successful implementation of juvenile justice reform</i>	2018	c-396774	224.166
	<i>Trial Monitoring, Phase 2</i>	2015	c-365155	20.000

Intervention title	Related contracts	Ctr year	Dec/Ctr reference	Contracted amount (EUR)
EU4 Security			D-41415 D-41443	
	<i>Support to Advancing Technical Capacities for Ensuring Human Security</i>	2019	c-413280	3.900.000
	<i>Strengthening Cybersecurity Capacities in Georgia</i>	2020	c-418131	1.299.332
	<i>Clearing of unexploded ordnance in Abkhazia</i>	2019	c-396937	1.000.000
	<i>Improving Quality of Prosecution and Criminal Investigation in Georgia</i>	2020	c-413936	525.800
	<i>Enhancing Implementation of Judiciary Reforms in Georgia</i>	2020	c-413934	525.000
	<i>Enabling Prison System to Prevent Re-offending</i>	2020	c-414320	524.550
	<i>Ext. of Project No. ENI/2018/ 398-323 - Support to the fight against organised crime</i>	2020	c-419441	500.000
Human Rights for all in Georgia			D- 37382	
	<i>Human Rights for All – Support to the Implementation and Monitoring of the National Human Rights Strategy and Action Plan</i>	2015	c-369518	4.000.000
	<i>Combating all forms of discrimination</i>	2016	c-344451	1.481.968
	<i>Advocacy for child and youth protection</i>	2016	c-379321	448.151
EU4HumanRights in Georgia			D- 41936	
	<i>Human Rights for All II</i>	2020	c-418101	2.300.000
	<i>Joint EU-UNICEF project on strengthening systems and services for child protection in Georgia</i>	2020	c-418090	2.000.000
Other ENI/ ENPI (contracts from various decisions)				
	<i>Better coordination of protection of the land border between Georgia and Azerbaijan.</i>	2014	c-346688	4.322.718
	<i>Support to conflict affected/displaced population and host communities in Georgia (BS) - Top-up</i>	2017	c-385673	3.750.000
	<i>Support to the fight against organised crime</i>	2018	c-398323	1.987.250
	<i>Legislative Impact Assessment, Drafting and Representation</i>	2015	c-357121	1.978.860
	<i>Support to conflict affected/displaced population and host communities</i>	2015	c-307355	1.750.000
	<i>Consolidating Parliamentary Democracy in Georgia</i>	2019	c-409831	1.500.000
	<i>Strengthening the System of Parliamentary Democracy in Georgia</i>	2014	c-337190	1.498.936
	<i>STRENGTHENING THE SYSTEM OF PARLIAMENTARY DEMOCRACY IN GEORGIA, PHASE II (2016-2018)</i>	2016	c-374626	1.478.323
	<i>Livelihood Initiatives to Foster Employability and Entrepreneurship of IDPs and host populations in Georgia - "LIFE Georgia"</i>	2015	c-350162	1.282.285
	<i>Forging ahead: Process-oriented Technical Assistance to the Ministry of IDPs</i>	2014	c-343152	1.195.627

Intervention title	Related contracts	Ctr year	Dec/Ctr reference	Contracted amount (EUR)
	<i>Support to strengthening of e-Governance in Georgia II</i>	2015	c-366354	1.195.541
	<i>Support to the Constitutional Court, Georgia</i>	2014	c-340289	1.155.000
	<i>Support to the Public Defender's Office II</i>	2015	c-350731	1.050.000
	<i>Support to drug policy monitoring in Georgia</i>	2018	c-397994	800.000
	<i>Introduction of E-governance in Local Governments - II</i>	2014	c-328406	786.233
	<i>Improving legislative framework for effective civilian oversight over security sector in Georgia</i>	2017	c-389118	744.594
	<i>Extension of Project 'Support to the Development of the Penitentiary and Probation Systems in Georgia' No. 2016/377-963</i>	2018	c-403275	571.965
	<i>Georgian Government Media Monitor (GGMM)</i>	2019	c-413295	500.000
	<i>Support to Implementation of the legislation compatible with EU directives on Organ, Tissue and Cell Transplantation</i>	2019	c-407578	399.900
	<i>Study and Research on Election Media Coverage for the 2020 Parliamentary Elections in Georgia (Short title: Media Monitoring for Parliamentary Elections of 2020)</i>	2020	c-417906	350.000
	<i>Studies and Research of Media Election Coverage in Georgia for Parliamentary Elections 2017.</i>	2015	c-371244	285.000
	<i>Studies and Research of Media Election Coverage in Georgia for Local Self-government Elections 2017.</i>	2016	c-378735	262.830
	<i>Studies and Research of Media Election Coverage in Georgia for Presidential Elections 2018.</i>	2017	c-391659	216.911
	<i>Advancing the Wellbeing of War-affected Populations in Georgia through Better Policy Dialogue</i>	2014	c-346221	200.407
	<i>Facility for the Implementation of the Association Agreement in Georgia</i>	2018	c-397452	199.922
	<i>Institutional Development of State Commission on Migration Issues</i>	2015	c-358539	180.875
	<i>Support to the Security Sector Reform programme preparation</i>	2019	c-411469	159.300
	<i>Support to MRA with developing reform options for shift from status to needs base</i>	2015	c-365666	149.999
	<i>Assistance on Communication to the Office of the State Minister of Georgia on Reconciliation and Civic Equality</i>	2015	c-366540	127.285
	<i>Enhancing Sustainability of Holistic Services for War affected and III – Treatment Victims in Georgia</i>	2016	c-382374	125.141
	<i>Compliance reviews of the IDP IV budget support conditions for variable tranche III and IV</i>	2016	c-375257	78.204
	<i>Evaluation of EU Support to the integration of Minorities in Georgia</i>	2014	c-339775	67.178

Intervention title	Related contracts	Ctr year	Dec/Ctr reference	Contracted amount (EUR)
	<i>Compliance Review for SBSP "IDP IV"</i>	2014	c-338988	64.664
	<i>Supporting Persons with Disabilities during Covid-19 Crisis</i>	2020	c-416404	60.000
	<i>Monitoring COVID-19 related public spendings and human rights protection during the state of emergency and after</i>	2020	c-417626	59.960
	<i>Increasing Resilience of IDPs and conflict affected population in Georgia to the COVID-19 crisis consequences</i>	2020	c-416398	50.000
	<i>Support to Georgian Accreditation Center (GAC) in the organization of accreditation working missions and events.</i>	2014	c-343644	49.257
	<i>Support to MRA revising the Livelihood Action Plan and developing the policy matrix of the last IDP IV budget support tranche</i>	2015	c-363154	48.918
	<i>Holistic Support for Victims of 20/21 June 2019 events</i>	2019	c-411563	43.125
	<i>Support to Election Reform</i>	2019	c-409171	19.900
	<i>EU Days in Georgia</i>	2015	c-360657	18.280
IcSP&IfS				
Further support to confidence building measures in Georgia			D-39073 D- 42245	
	<i>Confidence Building Early Response Mechanism (COBERM) - Phase III</i>	2016	c-372495	5.783.537
	<i>Confidence Building Early Response Mechanism (COBERM) - Phase IV</i>	2019	c-405942	5.500.000
	<i>Confidence building and conflict prevention through the promotion of mother tongue based multilingual education (MTB MLE) in Abkhazia – Phase 2</i>	2019	c-405946	1.200.000
	<i>Confidence building and conflict prevention through the promotion of mother tongue based multilingual education in Abkhazia</i>	2016	c-373694	999.922
	<i>Dealing with the past through the use of archives in the Georgian-Abkhaz context</i>	2019	c-405121	800.000
	<i>Dialogue Coordination Mechanism - Phase II</i>	2016	c-372852	600.000
PAMF 7			D-27012	
	<i>ICRC activities for families of the missing in Georgia</i>	2014	c-353151	1.170.000
	<i>Recapturing the past</i>	2014	c-353325	306.056
EIDHR (contracts from various decisions)				
	<i>Combating Torture and Ill-treatment in Georgia Armenia and Ukraine</i>	2017	c-388508	1.000.000
	<i>Equal opportunities for persons with disabilities- supporting social service providers in rural Georgia</i>	2017	c-392939	400.000
	<i>Promotion of Rights Based Social Services for People with Disabilities and Elderly</i>	2019	c-411936	399.000
	<i>MH-2R-Promoting rights of people with mental disorders and psychosocial disabilities (PwMD) in Georgia.</i>	2017	c-391097	395.897

Intervention title	Related contracts	Ctr year	Dec/Ctr reference	Contracted amount (EUR)
	<i>Promotion of a human right to health of the conflict-affected populations in Georgia</i>	2019	c-411903	385.000
	<i>Promotion of Health Rights of Children with Hearing Loss</i>	2015	c-368920	379.715
	<i>Campaign for social-economic strengthening and promoting the rights of elderly in Adjara</i>	2015	c-369421	378.406
	<i>Strengthening local capacities for children's rights protection in Georgia</i>	2015	c-369105	358.122
	<i>"Children of the Church" - Upholding the rights of children, residents of religious and local government care institutions, to a family and society</i>	2017	c-391200	300.000
	<i>Dignified old age</i>	2015	c-371634	265.846
	<i>Fair Elections for Georgia</i>	2019	c-411990	200.000
	<i>Active for Life: promoting rights and enhancing capacities of elderly people in Georgia</i>	2014	c-329034	149.892
	<i>Safe School, Safe Childhood</i>	2014	c-329337	142.301
	<i>"All children have right to family"</i>	2014	c-329026	141.728
	<i>Protection of interests of traditional fishermen in Georgia</i>	2014	c-329394	136.504
	<i>Inclusion integrity through lifelong education</i>	2014	c-329491	136.458
	<i>Education and Scientists Free Trade Union of Georgia (ESFTUG) for Advancing human rights culture</i>	2014	c-329343	131.954
	<i>Conscious society stands better to fight trafficking in women and children and their social discrimination</i>	2014	c-329392	109.715
	<i>Evaluation of EIDHR CBSS Projects in Georgia financed from budget 2012-2013</i>	2016	c-375167	51.676
	<i>promoting Free, Fair and Transparent 2017 Local Election in Georgia</i>	2017	c-388932	39.958
	<i>Monitoring of the 2016 Parliamentary Elections</i>	2016	c-378044	15.101
Other instr. (contracts from various decisions)				
Reinforcing the Child Welfare and Protection System in Georgia			D- 39697 D-42419	
	<i>Reinforcing the Child Welfare and Protection System in Georgia</i>	2019	c-414075	967.400
	<i>Reinforcing the Child Welfare and Protection System in Georgia</i>	2018	c-401896	484.961

Agriculture and rural development

Table 3 List of bilateral interventions 2014-2020: Agriculture and rural development sector

Intervention title	Related contracts	Ctr year	Dec/Ctr reference	Contracted amount (EUR)
ENI / ENPI				
ENPARD II - European Neighbourhood Programme for Agriculture and Rural Development			D-37836	
	<i>European Neighbourhood Programme for Agriculture and Rural Development in Georgia, phase II (ENPARD Georgia II)</i>	2017	c-387662	24.875.000
	<i>Strengthening Rural Development Models in Georgia</i>	2017	c-379225	2.999.998
	<i>Support to Rural Development in Georgia</i>	2016	c-358833	2.500.000
	<i>Promoting a New Rural Development Approach in Akhalkalaki</i>	2016	c-379223	2.200.000
	<i>Rural Development for Sustainable Growth of Tetrtskaro Municipality</i>	2016	c-379230	2.127.260
	<i>Promoting Citizen Engagement for Economic Development (PROCEED)</i>	2016	c-379221	2.104.346
	<i>Optimising the Potential of Local Assets for Rural Development of Keda Municipality</i>	2017	c-385374	1.999.150
	<i>Promotion of rural development and diversification in Khulo Municipality</i>	2017	c-385375	1.800.000
	<i>Empowerment of local economic actors for basic sustainable rural development in Abkhazia</i>	2016	c-376357	1.500.000
	<i>Participatory Integrated Community Development in Abkhazia</i>	2016	c-375621	1.500.000
	<i>Technical Assistance to the Ministry of Agriculture of Georgia</i>	2017	c-358831	1.464.750
	<i>Joint EU-UNDP Programme for Rural Development</i>	2017	c-358834	939.429
	<i>ENPARD Communication Unit II extension</i>	2018	c-397044	350.000
	<i>Budget Support Reviews: 2nd and 3rd tranches under ENPARD II + 1st and 2nd tranches under ENPARD III</i>	2018	c-395624	136.360
ENPARD III - European Neighbourhood Programme for Agriculture and Rural Development			D- 39318	
	<i>European Neighbourhood Programme for Agriculture and Rural Development in Georgia, phase III (ENPARD Georgia III)</i>	2018	c-396317	44.500.000
	<i>Improving the Agriculture Sector in Georgia (ENPARD III)</i>	2017	c-394129	12.000.000
	<i>Improving Rural Development in Georgia (ENPARD III)</i>	2017	c-394110	10.000.000
	<i>Joint EU-UNDP Programme for Rural Development, Phase II (ENPARD III Abkhazia Component)</i>	2017	c-394334	4.000.000

Intervention title	Related contracts	Ctr year	Dec/Ctr reference	Contracted amount (EUR)
	<i>Implementing LEADER in Mestia municipality for better livelihoods in high mountainous regions of Georgia</i>	2018	c-402469	1.992.355
	<i>Local LEADERs Embrace Sustainable Development in Multi-Ethnic Tsalka Municipality</i>	2018	c-402466	1.917.844
	<i>Promoting inclusive and participatory local development in Akhmeta Municipality</i>	2018	c-402468	1.000.000
	<i>Promoting participatory rural development in Tskaltubo Municipality</i>	2018	c-402471	1.000.000
	<i>Joint EU-UNDP Programme for Rural Development, Phase II (ENPARD III Abkhazia Component) – Complementary Covid-19 support</i>	2020	c-420065	507.087
	<i>Evaluation of ENPARD Programme in Georgia</i>	2020	c-414327	360.758
	<i>European Neighbourhood Programme for Agriculture and Rural Development (ENPARD) Georgia ¿ Phases III Review Mission for the Budget Support: The 3rd and 4th Tranches under ENPARD III</i>	2020	c-419508	82.714
ENPARD IV - European Neighbourhood Programme for Agriculture and Rural Development in Georgia, phase IV	<i>European Neighbourhood Programme for Agriculture and Rural Development in Georgia (Phase IV) Budget Support Contract</i>	2020	D- 41937 c-421173	31.000.000
Reg Dev II - Support to Regional Development (Phase II)			D- 24707	
	<i>Contract created to pay Budget Support under SPSP for Regional Development policy in Georgia</i>	2015	c-361893	25.750.000
	<i>EU for Georgia</i>	2016	c-378861	2.096.550
	<i>Improving Infrastructure Quality through Better Planning Systems</i>	2017	c-389995	1.386.224
	<i>Support to Regional Policy Implementation in Georgia (Phase II)</i>	2016	c-376862	1.230.300
	<i>Advancing Regions for Sustainable Development (ARSD)</i>	2017	c-388051	465.506
	<i>Support to regional policy implementation</i>	2015	c-294301	267.820
	<i>Compliance Review for EU SPSP "Support to Regional Development in Georgia phase II"</i>	2015	c-357081	133.749
	<i>Final Evaluation of Support to Regional Development in Georgia, Phase II</i>	2019	c-409819	72.101
EU4ITD - EU4 Integrated Territorial Development	<i>Integrated Territorial Development-Budget Support Contract</i>	2020	D- 41934 c-419437	40.500.000
Other ENI/ENPI (contracts from various decisions)				
	<i>Support to the National Food Agency, Phase III</i>	2016	c-383076	5.216.031
	<i>Support to the National Food Agency Phase II</i>	2014	c-344543	4.218.556
	<i>Ensuring further progress of SPS and food safety system in Georgia</i>	2020	c-418130	1.450.000
	<i>Strengthening Sustainable Management of Forests in Georgia</i>	2017	c-385368	822.923

Intervention title	Related contracts	Ctr year	Dec/Ctr reference	Contracted amount (EUR)
	<i>Support to Regional Policy Implementation II (Extension of Project)</i>	2018	c-403846	359.531
	<i>Georgia Applied Research Facility - regional Development</i>	2014	c-338584	180.000
CSO&LA (contracts from various decisions)				
	<i>Networking for Efficiency and Development (N4ED)</i>	2017	c-394151	739.966
	<i>Participative local budgeting in the city of Rustavi</i>	2015	c-371399	375.000
	<i>Participatory Charrette for Tourism Development Strategy of Guria</i>	2015	c-371492	366.414
	<i>Implementing public oriented local-governance in Poti and Abasha Municipalities</i>	2018	c-402523	333.850
	<i>Local Partnership for Industrial Revitalisation of Second Tier Post-Industrial Cities in Imereti</i>	2018	c-402519	315.000
	<i>Establishment of Vashvlovani Biosphere Reserve in Kakheti region as model for inclusive and sustainable growth</i>	2018	c-404140	300.000

Economic development and market opportunities (DCFTA, SMEs, VET)

Table 4 List of bilateral interventions 2014-2020: Economic development and market opportunities sector

Intervention title	Related contracts	Ctr year	Dec/Ctr reference	Contracted amount (EUR)
ENI / ENPI				
DCFTA & SMEs - Support to EU-Georgia Deep and Comprehensive Free Trade Area (DCFTA) and Small and Medium size Enterprises (SMEs)			D-37381	
	<i>Support to EU-Georgia Deep and Comprehensive Free Trade Area (DCFTA) and Small and Medium size Enterprises (SMEs) Budget Support disbursements)</i>	2015	c-357939	22.750.000
	<i>SME Development and DCFTA-GEORGIA</i>	2015	c-366905	5.016.780
	<i>DCFTA Adaptation Programme (DAP) Support for SME competitiveness in Georgia</i>	2015	c-361229	4.500.000
	<i>Support to Georgian Competition Agency</i>	2016	c-377781	2.509.704
	<i>Strengthening the capacities of Technical and Construction Supervision Agency in Market Surveillance</i>	2017	c-394804	1.500.000
	<i>Regional Civil Society Organisations as Vectors of Rural Economic Development</i>	2017	c-384660	500.000
	<i>Food and Agriculture SME Support Initiative (FASSI)</i>	2017	c-384681	477.478
	<i>CSOs for Sustainable Economic Development - Strengthening Role of CSOs in DCFTA and SME Policy Implementation in Georgia</i>	2017	c-385193	475.641

Intervention title	Related contracts	Ctr year	Dec/Ctr reference	Contracted amount (EUR)
	<i>Georgia on European Way: Creation of Effective Model for DCFTA and SME Strategy Implementation</i>	2017	c-385032	400.000
Ec & Biz Dev - Economic and Business Development in Georgia			D- 40318	
	<i>Economic and Business Development in Georgia -Budget Support contract</i>	2018	c-401347	21.250.000
	<i>Clusters 4 Development - Better Business Sophistication in Georgia</i>	2018	c-401349	5.300.000
	<i>EU innovative action for private sector competitiveness in Georgia</i>	2018	c-401351	5.000.000
	<i>Financial Inclusion and Accountability</i>	2018	c-400915	4.500.000
	<i>Green Economy: Sustainable Mountain Tourism and Organic Agriculture (GRETA)</i>	2018	c-401348	3.000.000
	<i>Increasing Institutional Capacity for Innovation Project</i>	2018	c-401352	2.700.000
	<i>The DIGITAL RE4M Programme to foster COVID-19 recovery of SMEs</i>	2020	c-417111	1.850.000
	<i>Better Commercial Law and Legal Practice in Georgia</i>	2018	c-402475	1.300.436
	<i>Capacity Building of Insurance State Supervision Service of Georgia</i>	2019	c-409707	1.200.000
	<i>Enhanced Mediation and Arbitration for Fairer and Faster Commercial Dispute Resolutions</i>	2018	c-402646	800.000
Skills Dev - Skills Development and Matching for Labour Market Needs			D- 40319	
	<i>Skills Development and Matching for Labour Market Needs -Budget Support Contract</i>	2018	c-403393	30.000.000
	<i>Technical Assistance to Skills Development for Matching Labour Market Needs</i>	2019	c-409175	3.711.970
	<i>EU-UN Joint Programme on Improving Vocational Education in Abkhazia</i>	2018	c-403849	2.750.000
	<i>Improving the standards of employment conditions/relations as well as health and safety at work in Georgia</i>	2019	c-409668	1.500.000
	<i>Strengthening capacities for quality assurance and governance of qualifications</i>	2019	c-406898	1.500.000
	<i>Local Investments in Networks for Knowledge for Knowledge and Skill-share (LINKS) Project</i>	2020	c-417289	1.000.000
	<i>Promoting New and Inclusive Approaches to Informal Education in Abkhazia.</i>	2018	c-386153	1.000.000
	<i>Skills for Success</i>	2020	c-417748	1.000.000
	<i>ESCAPE – Employment, Support, Counselling to Meet Labour Market Needs</i>	2020	c-418066	998.977
	<i>Skill Building and Innovative Job Opportunities for Regional Development of Georgia</i>	2020	c-417883	925.255
	<i>Creating Better LLL Opportunities through Local Partnerships</i>	2020	c-417449	900.000
	<i>Learn, Exercise, Achieve, Receive, Network for Employment! (LEARN for Employment!)</i>	2020	c-417363	670.000
	<i>Development of youth coding and tech entrepreneurial club networks</i>	2020	c-419711	656.020

Intervention title	Related contracts	Ctr year	Dec/Ctr reference	Contracted amount (EUR)
	<i>Skills for Employment and Cooperation – Tailoring Opportunities for Regions of Georgia (SECTORs)</i>	2020	c-417374	499.713
	<i>Laboratory Health and Safety LLL Courses for Youth in West and East Georgia</i>	2020	c-417316	350.000
EaPIC VET - Employment and vocational education and training (VET)			D- 24416	
	<i>TA to employment and VET reforms in Georgia</i>	2014	c-351224	3.080.624
	<i>Capacity Building of the Employment Support Services (ESS) in Georgia</i>	2015	c-359377	1.089.001
	<i>Deepening linkages between formal/ non-formal VET system and labour market needs in the context of lifelong learning in Georgia</i>	2015	c-357432	500.000
	<i>Launching employment-oriented education and development system in Adjara</i>	2015	c-357439	458.314
	<i>Improving Formal, non-formal and informal vocational education for agribusiness in Georgia</i>	2015	c-357325	421.302
	<i>EVET Communication Unit</i>	2016	c-380204	334.716
	<i>EEAL-Educate, Employ, Advocate and Legislate for Equal Opportunities for People with Disabilities</i>	2015	c-357178	314.987
	<i>Interim Evaluation of EVET SRC and Feasibility of Education Support focused on Lifelong Learning</i>	2016	c-375310	37.105
Other ENI/ENPI (contracts from various decisions)				
	<i>From Dependency to Self-Sufficiency Innovative, effective and scalable livelihood solutions for Georgia</i>	2015	c-357410	1.913.020
	<i>Strengthening Georgian Accreditation System with the Focus on EU Technical Regulations</i>	2019	c-410189	1.400.000
	<i>Supporting inter-sectoral collaboration possibilities between Research and Industry</i>	2020	c-414971	1.300.000
	<i>Advancing Social Entrepreneurship for Sustainable and Inclusive Society</i>	2020	c-421172	1.000.000
	<i>Development and Implementation of NTCS system of Georgia Revenue Service</i>	2020	c-418596	1.000.000
	<i>Empowering Local Economic Opportunities for Sustainable Growth</i>	2017	c-393589	600.000
	<i>Creating Business Accelerator for Sustainable SME Development</i>	2017	c-394803	506.634
	<i>Promoting Labour Relations and Social Dialogue in Georgia</i>	2014	c-347044	394.470
	<i>Establishing a platform for efficient flow of business activities in Bolnisi</i>	2017	c-393482	320.000
	<i>Enabling Georgia's Most Vulnerable Youth to Become Productive, Contributing Adult Citizens Through Mentoring, Training and Employment</i>	2016	c-379336	297.039
	<i>Support to Technical and Construction Supervision Agency (TCSA) to upgrade the national market surveillance in Georgia in line with EU best practices</i>	2015	c-345105	202.343
	<i>Promoting DCFTA implementation in Georgia through SME Networks</i>	2016	c-373008	70.000

Intervention title	Related contracts	Ctr year	Dec/Ctr reference	Contracted amount (EUR)
	<i>Sokhumi-Tbilisi Dialogue on Trade Facilitation</i>	2018	c-400159	60.791

Connectivity (energy, transport, environment and climate change)

Table 5 List of bilateral interventions 2014-2020: Connectivity sector

Intervention title	Related contracts	Ctr year	Dec/Ctr reference	Contracted amount (EUR)
ENI / ENPI				
Neighbourhood Investment Platform (NIP)			D-41163	
	<i>ADDENDUM 2 to ENI/2019/411-771</i>	2020	c-417997	32.895.000
	<i>Programme for Energy Efficiency in Public Buildings in Georgia – EBRD Part</i>	2019	c-412869	13.150.000
	<i>Programme for Energy Efficiency in Public Buildings in Georgia – KfW part</i>	2019	c-412866	12.650.000
	<i>GGF L Shares for Georgia: Promoting Green Local Currency Lending</i>	2019	c-411771	10.355.000
	<i>Georgian Energy Sector Reform (GESR)</i>	2018	c-404204	8.800.000
	<i>Khashuri Water supply and sanitation</i>	2019	c-413158	7.550.000
	<i>Water Supply and Sanitation in Rural and Semi Urban Communities of Adjara</i>	2018	404227	7.360.000
Neighbourhood Investment Facility (NIF)			D-40444	
	<i>Georgia Hazardous Waste</i>	2018	c-403777	8.340.000
	<i>Enguri Hydro Power Plant Rehabilitation Project: Climate Resilience Upgrade</i>	2018	c-403314	7.350.700
	<i>Technical Assistance for Georgia Transport Connectivity (GTC) – Phase 1</i>	2018	c-403497	6.136.000
Other (contracts from various decisions)				
	<i>Extension of the Georgian Transmission Network</i>	2017	c-390659	10.360.000
	<i>E5P Expansion to Georgia</i>	2015	c-371112	10.200.000
	<i>Water Infrastructure Modernisation ¿ Phase II</i>	2014	c-335432	8.000.000
	<i>Development of Network Tariff Setting Methodologies, Energy Efficiency and Renewable Energy Regulatory Strategy and Creating Regulatory Framework for Enabling Demand Side Involvement</i>	2020	c-415426	1.500.000
	<i>Technical assistance for the improvement of Waste management systems in Georgia</i>	2017	c-389017	1.351.287
	<i>Institutional Strengthening of Environmental Health System of Georgia</i>	2017	c-383490	1.266.136
	<i>Support to approximation of Georgian legal and institutional framework to the Union Acquis in the field of railway transport</i>	2020	c-421013	1.248.815

Intervention title	Related contracts	Ctr year	Dec/Ctr reference	Contracted amount (EUR)
	<i>Development of Incentive Based Regulation for Service Quality and Regulatory Strategy to Support Roll-out of Smart Metering</i>	2018	c-403468	1.200.000
	<i>Legal approximation of the Georgian Civil Aviation regulations with EU standards</i>	2015	c-359333	1.197.176
	<i>Support to Georgian National Agency for Standards and Metrology (GEOSTM) for further implementation of the EU-Georgia Deep and Comprehensive Free Trade Area (DCFTA) requirements</i>	2017	c-385857	1.156.986
	<i>Climate Forum East II</i>	2014	c-353899	1.000.000
	<i>Strengthening capacities of the Georgian National Energy and Water supply Regulatory Commission (GNERC) in regulatory cost audit and market monitoring</i>	2015	c-369024	989.430
	<i>Strengthening the administrative capacities of the Ministry of Environment and Natural Resources Protection of Georgia for approximation and implementation of the EU environmental 'acquis' in the fields of industrial pollution and industrial hazards</i>	2017	c-386044	900.000
	<i>Support to implementation of the Environmental provisions of the EU-Georgia Association Agreement</i>	2019	c-403559	885.437
	<i>Support to Georgian State Electrosystem in implementation of new energy sector regulations</i>	2019	c-405129	850.740
	<i>Retrofitting 3 kindergartens in Rustavi City in order to achieve high energy efficiency standards and greenhouse emission reduction</i>	2014	c-342254	623.538
	<i>Procurement of measuring instruments for development of National Measurements Standard Base of Georgia Lots 1,10 and 13</i>	2016	c-372316	619.398
	<i>Biomass Energy and Energy Efficient Technologies as a Sustainable Energy Solutions for Georgian CoM signatories</i>	2017	c-392880	598.913
	<i>Support to reform in the Waste Management sector</i>	2019	c-404428	529.755
	<i>Rehabilitation of infrastructure in breakaway region of Abkhazia</i>	2019	c-407487	500.000
	<i>ASSESSMENT OF SOCIAL AND ECONOMIC COST OF UNDER-HEATING IN GEORGIA</i>	2017	c-387351	495.000
	<i>Technical assistance for awareness, information and communication to improve waste management practices in Georgia and the visibility of EU support to the sector</i>	2017	c-391014	393.930
	<i>Procurement of measuring instruments for development of National Measurements Standard Base of Georgia Lots 4,11 and 12</i>	2016	c-372286	322.307
	<i>Procurement of measuring instruments for development of National Measurements Standard Base of Georgia – Lot 6 (mass and balance)</i>	2016	c-368860	310.000
	<i>Support to Georgian Agency for Standards and Metrology in Information Management System</i>	2017	c-383740	267.652

Intervention title	Related contracts	Ctr year	Dec/Ctr reference	Contracted amount (EUR)
	<i>Support to the implementation of the EU-Georgia Association Agreement in the field of maritime transport</i>	2019	c-403280	260.087
	<i>Development of Legislation for Waste Management as part of the Implementation of the EU-Georgia Association Agreement</i>	2015	c-360959	242.760
	<i>EIB - Lead IFI remuneration for the project "Water Infrastructure Modernisation – Phase II"</i>	2014	c-348049	200.000
	<i>Support to the Approximation in various fields as part of the environmental provisions under the EU-Georgia Association Agreement</i>	2015	c-366198	195.378
	<i>Support to the Georgian government for the elaboration of the 3rd National Environmental Action Programme (NEAP)</i>	2016	c-376033	101.339
	<i>Development of an Action Plan for the Implementation of EU-Georgia Association Agreement - Environmental Chapters</i>	2014	c-344943	77.741
Other instr. Incl. CSO&LA, EIDHR (contracts from various decisions)				
	<i>Strengthening Nuclear Emergency Preparedness of the Georgian Agency of Nuclear and Radiation Safety (ANRS): Mobile Lab Supply – G 4.01/19B</i>	2019	c-408945	1.000.000
	<i>Nuclear Safety Cooperation with Georgia</i>	2017	c-388552	1.000.000
	<i>Georgia Climate Action Project (GEO-CAP): Promoting Civil Society Engagement in Climate Change Policy Design and Implementation</i>	2020	c-421207	500.000
	<i>Water for the Poor</i>	2017	c-391206	399.460

Mobility and people-to-people contacts

Table 6 List of bilateral interventions 2014-2020: Mobility and people-to-people contacts sector

Intervention title	Related contracts	Ctr year	Dec/Ctr reference	Contracted amount (EUR)
ENI / ENPI				
EaPIC BMM - Capacity Building in Support of Border Management and Migration Management in Georgia			D-24347	
	<i>Improving situation of migrants in Adjara region</i>	2015	355275	396.482
	<i>Advocating for the rights of eco-migrants</i>	2015	355274	373.544
	<i>Giving practical meaning to the concept of migration and development in the Georgian context</i>	2015	360320	357.999

Intervention title	Related contracts	Ctr year	Dec/Ctr reference	Contracted amount (EUR)
	<i>Raising the Economical and Infrastructural Capabilities of Eco-Migrants in Managing the Migration Process</i>	2015	360345	348.269
	<i>People on the Move: Addressing challenges of migration and providing alternative opportunities to potential and return migrants in remote communities of Georgia.</i>	2016	376460	324.018
	<i>Support Visa Liberalisation Process through Reducing Risks of Illegal Migration and Radicalisation</i>	2016	376476	299.770
	<i>Promoting Migration Management in Georgia through Research-based Advocacy, Awareness, Networking and Use of Technologies</i>	2016	376462	259.070
Other (contracts from various decisions)				
	<i>European School in Georgia</i>	2020	c-417373	6.400.000
	<i>Support to Integrated Border Management in Georgia</i>	2019	c-409948	6.000.000
	<i>Sustaining Border Management and Migration Governance in Georgia (SBMMG)</i>	2017	c-388767	4.500.000
	<i>Sustaining Migration Management in Georgia (ENIGMMA-2)</i>	2017	c-388111	4.300.000
	<i>Support to Participation in EU Programme Horizon 2020</i>	2017	c-363104	3.760.000
	<i>Reinforcing the capacities of the Government of Georgia in border and migration management</i>	2016	c-333562	3.200.000
	<i>Supporting Public Service Development Agency to continuously implement all benchmarks under the Visa Liberalisation Action Plan</i>	2017	c-375223	1.989.006
	<i>Top up to the Delegation Agreement No. ENI/2017/388-767 "Sustaining Border Management and Migration Governance in Georgia (SBMMG)"</i>	2019	c-414051	1.870.000
	<i>Support to Sustained Effective functioning of the State Commission on Migration Issues</i>	2016	c-358889	1.482.705
	<i>Ensuring the Effective Coordination in Implementation of the Long-term Tasks Set by the EU-Georgia Visa Liberalization Action Plan</i>	2020	c-408363	642.308
	<i>European School Summer Camp 2018-2020 in Georgia</i>	2017	c-387744	500.000
	<i>Support to the participation of Georgia in Creative Europe Programme</i>	2017	c-363103	222.000
	<i>CfP Erasmus</i>	2019	N/A	229.592
	<i>Feasibility Study on the Development of a Curriculum on European Studies focusing on the relationship between the EU and the Black Sea region</i>	2014	c-346768	193.068
	<i>EU-EaP Art Summer Camp 2017</i>	2017	c-386719	64.000

Gender-targeted and CSO-specific

Table 7 List of bilateral interventions 2014-2020 targeting gender and CSOs

Intervention title	Related contracts	Ctr year	Dec/Ctr reference	Contracted amount (EUR)
ENI/ENPI				
Human Rights for all in Georgia			D-37382	
	<i>Facilitate Social Integration of the Victims of Domestic Violence</i>	2016	c-379339	467.207
	<i>Support the improvement of the service provision for women offenders who have experienced violence and discrimination and their vulnerable children</i>	2016	c-379337	457.905
	<i>Providing Access to Protection for the Victims of SGBV/DV and Strengthening Protection Mechanisms</i>	2016	c-379055	410.945
	<i>Improving health care, education and development opportunities for vulnerable mothers and children</i>	2016	c-379173	385.031
	<i>Stop Domestic Violence (Campaign against domestic violence in the regions of Georgia compactly populated by ethnic/religious minorities)</i>	2016	c-380100	332.218
	<i>Tracking Violent Crime Against Women</i>	2016	c-378923	320.000
	<i>Empowering vulnerable women to end discrimination</i>	2016	c-378340	293.215
EU4HumanRights in Georgia	<i>Ending violence against women and girls in Georgia (EVAWGG)</i>	2020	D-41936 c-418070	1.500.000
Civil Society Facility (Georgia)			D-37875	
	<i>Georgian Civil Society Sustainability Initiative</i>	2016	c-381129	3.840.000
	<i>Joint EU-UNDP Civil Society Support Programme</i>	2016	c-376771	1.400.000
	<i>Strengthening Operational Capacity of Civil Development Agency (CiDA) as a facilitator of Regional Civil Society Network, Corporate Social Responsibility Club and UN Global Compact Network Georgia</i>	2016	c-382150	106.699
	<i>Increasing Awareness on Local Elections through the Engagement of Local CSOs and LSGs</i>	2016	c-382869	101.342
	<i>Enhancing Capacity and Effectiveness of Georgian National Platform</i>	2016	c-381664	49.992
Eastern Partnership Civil Society Facility			D-41741 D-41742	
	<i>Civil Society STAR Initiative: CSOs as Sustainable, Transparent, Accountable and Resilient Development Actors in Georgia</i>	2020	c-421052	3.000.000
	<i>Joint EU-UNDP Civil Society Support Programme II</i>	2020	c-417180	2.000.000
	<i>Local Municipalities Rapid Response Mechanism against Domestic Violence and VAW during COVID19</i>	2020	c-416391	51.490

Intervention title	Related contracts	Ctr year	Dec/Ctr reference	Contracted amount (EUR)
	COVID-19 Support for LGBTIQ in Georgia	2020	c-419421	60.000
Eastern Neighbourhood Civil Society Facility			D-24437 D-37477	
	<i>Shaping sustainable social change in Eastern Neighbourhood Countries by strengthening Social Workers and their Associations</i>	2015	c-349191	970.800
	<i>Mobilised civil society for local democracy</i>	2014	c-346220	247.173
	<i>Partnership for Budget Transparency: Civil Society Oversight of Public Spending in Georgia</i>	2014	c-346217	235.293
	<i>Raising Awareness of local actors on the implications of the Association Agreement for Georgian Consumers</i>	2014	c-338289	234.530
	<i>Georgians in Europe - Lessons learned from Visegrad countries</i>	2014	c-346219	215.740
Other ENI/ENPI (contracts from various decisions)				
	<i>Support to the Inter-Agency Gender Equality Commission</i>	2017	c-389213	1.855.051
	<i>Unite to Fight Violence against Women</i>	2016	c-358891	1.500.000
	<i>Gender sensitive socio-economic empowerment of vulnerable IDPs through co-funding of their livelihoods opportunities and promotion of their social mobilisation</i>	2015	c-371727	1.326.183
	<i>Supporting Ministry of Internal Affairs of Georgia to fight Domestic Violence</i>	2015	c-368672	292.490
	<i>Support to Gender Equality and Women Political Participation In Georgia</i>	2020	c-422548	216.200
CSO&LA				
CSOs: Enhancing CSOs' contributions to governance and development processes			D-37625	
	<i>Social enterprise-innovation approach for economic and social changes</i>	2015	c-370962	586.531
	<i>Shaping regional CSOs into champions of policy dialogue and public sector monitoring</i>	2015	c-370836	399.955
	<i>School youth networks of collaboration for sustainable solutions</i>	2015	c-371284	398.847
	<i>Enhancing the participation of regional CSOs in policy dialogue on social inclusion in Georgia</i>	2015	c-371525	391.822
	<i>Supporting of Georgian National Platform for a more Equitable, Open and Democratic Society</i>	2015	c-371214	89.314
CSOs' contributions to governance and development processes			D- 38983	
	<i>PPSP – a partnership for inclusive policy making</i>	2017	c-393893	600.000
	<i>Empowered Civil Society for Good Governance</i>	2017	c-393900	570.108

Intervention title	Related contracts	Ctr year	Dec/Ctr reference	Contracted amount (EUR)
	<i>Ensuring Participatory Decision Making Processes at Regional and National Levels by Empowering NGOs/CSOs</i>	2017	c-393903	526.982
	<i>Enhancing the Role of Georgian National Platform on the EU Integration Path</i>	2017	c-392816	40.000
Other CSO&LA (contracts from various decisions)				
	<i>Strengthening Capacity of Civil Society for Expanded Social Services (SuCCESS)</i>	2020	c-421302	879.541
	<i>Women's Power Economic and Political Participation for Inclusive Societies in Georgia</i>	2020	c-421414	861.729
Various instr. (EIDHR, IcSP&IfS) (contracts from various decisions)				
	<i>Solidarity Network for LGBTI in Armenia and Georgia</i>	2014	c-348110	456.307
	<i>Unite to eliminate domestic violence and empower women and girls for the better future in Georgia</i>	2015	c-369211	321.017
	<i>Civil Society Crisis Prevention Initiative</i>	2014	c-353514	232.236
	<i>Job Equality: Equal, Inclusive and Safe Work Place in Georgia</i>	2019	c-411946	200.000

Other

Table 8 List of bilateral interventions 2014-2020: Other themes

Intervention title	Related contracts	Ctr year	Dec/Ctr reference	Contracted amount (EUR)
ENI/ENPI				
EU4Georgia			<i>Various decisions</i>	
	<i>EU4Georgia phase 3 - Communicating the European Union in Georgia</i>	2019	c-410936	1.600.000
	<i>Extension of communicating Europe in Georgia (EU4Georgia phase2)</i>	2018	c-403277	1.020.209
	<i>EU4Georgia phase 3 - Communicating the European Union in Georgia</i>	2019	c-410937	535.070
	<i>Communicating the EU in Georgia (EU4Georgia phase2)</i>	2018	c-399530	450.000
	<i>EU for Georgia</i>	2016	c-381988	190.829
Let's Meet Europe			D-24904 D-37575	
	<i>Let's Meet Europe 4</i>	2014	c-355662	427.200
	<i>Let's Meet Europe 5</i>	2015	c-371324	406.000

Intervention title	Related contracts	Ctr year	Dec/Ctr reference	Contracted amount (EUR)
Communicating the EU -Georgia Association Agreement and DCFTA			D-23281	
	<i>Communicating the EU-Georgia Association Agreement and DCFTA through Rustavi2</i>	2014	c-344057	82.500
	<i>Communicating the EU-Georgia Association Agreement and DCFTA through EUGBC</i>	2014	c-344055	100.000
	<i>Communicating the EU -Georgia Association Agreement and DCFTA through regional broadcasters</i>	2014	c-344014	148.800
Other ENI/ENPI (contracts from various decisions)				
	<i>COVID-19 Resilience contract for Georgia</i>	2020	c-419470	75.000.000
	<i>Supporting the Accession of Georgia to the Conventions on Transit Area and Launching of the New Computerised Transit System (NCTS)</i>	2018	c-395905	1.481.681
	<i>Communicating the Association Agreement and DCFTA through Online Media</i>	2015	c-368444	20.000

Regional interventions

Public Administration Reform, including Public Financial Management

Table 9 List of regional interventions 2014-2020: Public Administration Reform sector (including Public Financial Management)

Intervention title	Related contracts	Ctr year	Dec/Ctr reference	Contracted amount (EUR)
EU4Integrity			D- 41954	
	<i>EU for Integrity - The OECD Anti-Corruption Network (ACN) Action for the Eastern Partnership</i>	2020	c-415127	4.500.000
	<i>EU for Integrity - The Open Government Partnership (OGP) Action for the Eastern Partnership</i>	2020	c-416631	2.500.000
Other (contracts from various decisions)				
	<i>Strengthening Fiscal Governance in the European Union's Eastern Partnership Countries</i>	2018	c-400228	1.500.000
	<i>Support to EU Eastern Partnership Countries to Enhance Asset Recovery</i>	2020	c-415448	1.500.000
	<i>Strengthening Fiscal Governance in the European Union's Eastern Partnership Countries – Phase II</i>	2020	c-422006	1.095.896

Justice, Rule of Law, democratic governance and human rights

Table 10 List of regional interventions 2014-2020: Justice, Rule of Law, and democratic governance sector

Intervention title	Related contracts	Ctr year	Dec/Ctr reference	Contracted amount (EUR)
Support to the European Endowment for Democracy			<i>Various decisions</i>	
	<i>Support to European Endowment for Democracy (EED) 2019</i>	2018	c-397096	4.500.000
	<i>Support to the European Endowment for Democracy (EED) 2021</i>	2020	c-397099	4.500.000
	<i>Support to the European Endowment for Democracy - 2017</i>	2016	c-381954	4.000.000
	<i>Support to the European Endowment for Democracy - Year 2018</i>	2017	c-390329	4.000.000
	<i>Support to the European Endowment for Democracy - 2016</i>	2015	c-371212	3.498.694
	<i>Support to the European Endowment for Democracy - November to December 2015</i>	2015	c-362567	499.814
EU4Dialogue			D-41750	
	<i>EU4Dialogue: Support to Conflict Transformation in the South Caucasus and the Republic of Moldova</i>	2020	c-419114	9.000.000
	<i>EU4Dialogue: Supporting understanding between conflict parties</i>	2020	c-417403	2.845.400
Other (contracts from various decisions)				
	<i>Implementation of the Programmatic Cooperation framework with the Council of Europe in the Eastern Partnership</i>	2014	c-346257	30.400.000
	<i>CEPOL training and operational partnership against organised crime project - TOPCOP</i>	2020	c-415941	6.000.000
	<i>Advancing media pluralism in the Eastern Partnership and wider civic engagement in Belarus</i>	2020	c-420444	4.000.000
	<i>EU4 Monitoring Drugs</i>	2018	c-401149	3.000.000
	<i>Fighting organised crime in the EaP region</i>	2020	c-416376	2.500.000
	<i>Grant programme to support media in Eastern Partnership countries</i>	2016	c-380303	2.000.000
	<i>Justice Dashboard EaP</i>	2020	c-420501	2.000.000
	<i>OPEN Neighbourhood: Cooperative Russian Language News Exchange</i>	2016	c-376418	1.000.000
	<i>Justice Surveys for the Eastern Partnership Countries</i>	2018	c-396516	1.000.000
	<i>Needs Assessment of Independent Media in the Neighbourhood</i>	2019	c-405598	608.126
	<i>Multiparty Dialogue Hubs: Creating Strong Networks of Multiparty Democracy Advocates</i>	2017	c-392582	600.000
	<i>Justice Surveys in the Eastern Partnership countries</i>	2018	c-396743	200.000
	<i>Midterm Evaluation of the first phase of the implementation of the EU-CoE Programmatic Co-operation Framework in the Eastern Partnership Countries</i>	2016	c-374759	199.666

Intervention title	Related contracts	Ctr year	Dec/Ctr reference	Contracted amount (EUR)
	<i>Digital Defenders: Defending Democracy</i>	2018	c-404299	59.963
	<i>Roundtable policy and programming debates on the EU's response to unresolved conflicts in its Eastern Neighbourhood</i>	2017	c-386479	40.000

Economic development and market opportunities (DCFTA, SMEs, VET)

Table 11 List of regional interventions 2014-2020: Economic development and market opportunities sector

Intervention title	Related contracts	Ctr year	Dec/Ctr reference	Contracted amount (EUR)
Neighbourhood Investment Platform (NIP)			<i>Various decisions</i>	
	<i>EU-EBRD Local Currency</i>	2020	c-416309	53.500.000
	<i>SME Competitiveness Programme in Eastern Partnership (2018 funds)</i>	2019	c-410871	52.908.951
	<i>EIB DCFTA Initiative East Guarantee Facility – Phase II</i>	2019	c-413919	41.550.000
	<i>EFSE – EU4Business: Local Currency Lending to SMEs in the Eastern Partnership</i>	2020	c-416308	39.921.000
	<i>SME Competitiveness Programme in Eastern Partnership (2019 funds)</i>	2019	c-414178	14.724.049
	<i>EBRD Advice for Small Businesses, Team Europe EaP window</i>	2020	c-418044	5.000.000
Neighbourhood Investment Facility (NIF)			<i>Various decisions</i>	
	<i>EU Deep and Comprehensive Free Trade Area (DCFTA) Facility, EIB DCFTA Programme</i>	2016	c-376993	62.746.000
	<i>EU4Business – The EU Local Currency Partnership Initiative: The European Fund for Southeast Europe (EFSE)</i>	2018	c-398298	50.320.000
	<i>EU Deep and Comprehensive Free Trade Area (DCFTA) Facility, EBRD DCFTA Programme – Phase II</i>	2017	c-389994	38.900.000
	<i>EU Deep and Comprehensive Free Trade Area (DCFTA) Facility, EBRD DCFTA Programme</i>	2016	c-373818	19.430.000
	<i>EBRD Small Business Support programmes – Enterprise Growth Programme (EGP) and Business Advisory Services (BAS) – in the Eastern Partnership countries Phase II</i>	2015	c-360798	8.000.000
	<i>Grant for the DCFTA Initiative East - Local Currency Solution Programme</i>	2018	c-401049	5.300.000
	<i>Eastern Partnership SME Finance Facility – Phase II EBRD</i>	2016	c-373828	5.200.000
	<i>Eastern Partnership SME Finance Facility – Phase II EIB</i>	2017	c-387799	5.200.000

Intervention title	Related contracts	Ctr year	Dec/Ctr reference	Contracted amount (EUR)
EU4Business			<i>Various decisions</i>	
	<i>EU4Business: Connecting Companies</i>	2019	c-411865	6.498.205
	<i>Eastern Partnership Ready to Trade - an EU4Business initiative</i>	2017	c-385989	6.000.000
	<i>EU4Business initiative: from policies to action</i>	2017	c-386633	4.000.000
	<i>EU4Business Secretariat</i>	2016	c-372325	3.618.000
	<i>EU4Business: From Policies to Action – Phase 2</i>	2020	c-421307	2.900.000
	<i>EU4Business Facility</i>	2019	c-401542	2.499.850
EU Support to the private sector in the context of Association Agreements/DCFTAs			D-24905 D-37355	
	<i>EU Support to the private sector in the context of Association Agreements/DCFTAs</i>	2014	c-345014	493.340
	<i>Addendum to FWC 2011 contract No 345-014 EU Support to the private sector in the context of Association Agreements/DCFTAs</i>	2015	c-365360	65.752
EU4Youth			D-38795 D-39576	
	<i>EU4Youth: Fostering potential for greater employability</i>	2017	c-394156	1.306.514
	<i>SAY YES - Strategic Actions for Youth – A Programme for Youth Employability and Skill Development</i>	2017	c-394295	1.448.956
	<i>Youth UP4 change: better skills for successful transition</i>	2017	c-394581	1.457.981
	<i>EU4 Youth Coordination and Support</i>	2018	c-399510	2.765.000
	<i>EU4Youth - Enhancing Youth Education, Employment and Participation in Conflict-affected Areas in Georgia and Ukraine</i>	2018	c-400807	1.500.000
EU4Youth (Phase II)			D-40652 D-41505	
	<i>EU4Youth II – Youth Engagement Roadmaps</i>	2019	c-411315	1.817.000
	<i>EU4Youth – Social Entrepreneurship Ecosystem Development (SEED) Programme for Green Growth in Borderline Communities</i>	2019	c-412395	1.499.962
	<i>EU4Youth – Social Entrepreneurship in Armenia and Georgia (SEAG)</i>	2019	c-412387	1.499.904
EU4Digital Initiative			D-41179	
	<i>EU4Digital: Improving cyber resilience in the Eastern Partnership countries - Cybercrime component</i>	2019	c-405997	3.800.000
	<i>EU4Digital: Improving cyber resilience in the EaP countries - cybersecurity component</i>	2019	c-411043	3.121.600
Other (contracts from various decisions)				

Intervention title	Related contracts	Ctr year	Dec/Ctr reference	Contracted amount (EUR)
	<i>EU4Digital: supporting digital economy and society in the Eastern Partnership</i>	2018	c-396727	10.258.809
	<i>DCFTA SME Direct Finance Facility</i>	2014	c-349318	10.220.000
	<i>Mayors for Economic Growth Facility</i>	2020	c-416147	10.000.000
	<i>TAIEX ENI EAST 2020 Provision of logistical services and financial management tasks (TAIEX 8)</i>	2020	c-416959	6.640.000
	<i>Collaborate for Impact - development of social entrepreneurship and social investments towards economic and social cohesion in the Eastern Partnership and Russia</i>	2020	c-419426	4.999.783
	<i>Mayors for Economic Growth</i>	2016	c-376723	4.979.800
	<i>East Invest II</i>	2014	c-347097	4.815.100
	<i>EaP Trade Helpdesk</i>	2019	c-409026	3.700.000
	<i>Human Development Assessment Structural Reform Facility</i>	2020	c-416142	3.000.000
	<i>Support to the development of Red Bridge Border crossing point between Azerbaijan and Georgia</i>	2015	c-371464	2.105.105
	<i>Strengthening Auditing and Reporting in the Eastern Partnership Countries (STAREP)</i>	2014	c-337995	1.000.000

Connectivity (energy, transport, environment and climate change)

Table 12 List of regional interventions 2014-2020: Connectivity

Intervention title	Related contracts	Ctr year	Dec/Ctr reference	Contracted amount (EUR)
EU4Energy			<i>Various decisions</i>	
	<i>EU4Energy - Improving Energy Sector Statistics and Policy Development in countries of Eastern Partnership and Central Asia</i>	2016	c-364835	12.100.000
	<i>EU4Energy. Component 3</i>	2016	c-364837	5.377.363
	<i>Promoting the Clean Energy Transition in the Eastern Partnership countries: EU4Energy Phase II - Components 3 - 6</i>	2020	c-422069	3.700.000
	<i>Promoting the Clean Energy Transition in the Eastern Partnership countries: EU4Energy Phase II - Components 2, 7 & 8</i>	2020	c-421266	3.000.000
	<i>Promoting the Clean Energy Transition in the Eastern Partnership countries: EU4Energy Phase II - Component 1</i>	2020	c-420848	1.800.000
	<i>EU4Energy Programme Component 3-Legislative and Regulatory Environment and Key Energy Infrastructure</i>	2017	c-388297	1.122.637

Intervention title	Related contracts	Ctr year	Dec/Ctr reference	Contracted amount (EUR)
EUWI+ East - European Water Initiative Plus East			D-38109	
	<i>EU Water Initiative Plus East (EUWI+ East) - Results 2 and 3 - River management</i>	2016	c-372403	16.500.000
	<i>European Water Initiative Plus East - Result 1 - Legal Support - OECD share</i>	2016	c-368635	3.850.000
	<i>European Water Initiative Plus East - Result 1 - UNECE share</i>	2016	c-381404	3.150.000
EU4Environment regional programme			<i>Various decisions</i>	
	<i>EU4Environment - Mainstreaming and Circular Economy - Results 1 and 2</i>	2018	c-387398	9.700.000
	<i>EU4Environment - Ecosystems and Livelihoods - Result 4</i>	2020	c-421449	6.000.000
	<i>EU4Environment - Governance and Regional Dialogue - Results 3 and 5</i>	2018	c-404254	3.800.000
EU4Climate			D-40348 D-41997	
	<i>FINANCE AND TECHNOLOGY TRANSFER CENTRE FOR CLIMATE CHANGE (FINTECC) - EU4CLIMATE window</i>	2020	c-412722	15.400.000
	<i>EU4Climate</i>	2018	c-387538	8.000.000
Green for Growth			D-40444 D-41163	
	<i>Green for Growth - Extension to Neighbourhood East II</i>	2018	c-401728	6.157.151
	<i>2018 NIP decision share - Green for Growth - Extension to Neighbourhood East II</i>	2018	c-404478	5.162.849
Structural Reform Facility			D-40613	
	<i>EU-EBRD Country-specific Investment Climate Reviews and Action Plans for Eastern partnership (EaP) countries.</i>	2018	c-396433	2.000.000
	<i>Structural Reform Facility: World Bank component</i>	2018	c-400164	1.500.000
Other (contracts from various decisions)				
	<i>MPSF - Municipal Project Support Facility</i>	2014	c-355328	12.300.000
	<i>Organisation of conferences, seminars, meetings and training activities in the framework of the Eastern Partnership, Black Sea Synergy and Northern Dimension</i>	2015	c-371030	9.355.451
	<i>SEIS East - Implementation of the Shared Environmental Information System principles and practices in the Eastern Partnership countries</i>	2015	c-344044	6.600.000
	<i>SUDeP - Sustainable Urban Development Projects (SUDeP) - Support Mechanism</i>	2014	c-344354	6.179.850
	<i>PPRD East II - Prevention, Preparedness & Response to natural and man-made Disasters in EaP East</i>	2014	c-352249	5.263.411
	<i>Supporting the implementation of aviation agreements in the Eastern Partnership countries and upgrading civil aviation safety and security standards in Central Asia.</i>	2015	c-350586	5.000.000

Intervention title	Related contracts	Ctr year	Dec/Ctr reference	Contracted amount (EUR)
	<i>Eastern Partnership Covenant of Mayors East II</i>	2016	c-374754	4.284.600
	<i>Maritime safety, security and marine environmental protection in the Black and Caspian Sea Regions</i>	2016	c-374999	4.000.000
	<i>Technical Support to the Eastern Partnership Transport Panel - Phase 2</i>	2020	c-421713	2.800.000
	<i>Strengthening regional links and transition sharing in the wider Black Sea Region</i>	2018	c-396815	2.500.000
	<i>INOGATE Technical secretariat in support to Baku initiative and Eastern Partnership objectives (Addendum to the contract Nr. 278-827)</i>	2014	c-354981	2.238.929
	<i>EU4EMBLAS - Environmental Monitoring of the Black Sea</i>	2020	c-417573	2.000.000
	<i>Improving Environmental Monitoring in the Black Sea - Selected Measures (EMBLAS Plus)</i>	2018	c-389859	1.554.738
	<i>NDPTL - EU contribution to the Support Fund for the Northern Dimension Partnership on Transport and Logistics</i>	2014	c-352339	1.400.000
	<i>Eastern Partnership and Black Sea events</i>	2015	c-365930	1.274.498
	<i>EU4Digital Initiative</i>	2018	c-399031	1.000.000
	<i>Technical Support to the Eastern Partnership Transport Panel</i>	2017	c-381944	997.500
	<i>CLEEN - Civil society Local Energy Efficiency Network</i>	2014	c-355286	992.906
	<i>Environmental Protection of International River Basins (addendum)</i>	2015	c-365013	946.516
	<i>TRACECA - Maritime Safety and Security II - EMSA</i>	2014	c-334385	750.681
	<i>The way forward for reforms in the housing sector: empowering grassroots homeowners associations in Azerbaijan, Belarus, Georgia, Moldova and Ukraine</i>	2014	c-354789	749.374
	<i>JRC technical support to implementation of Covenant of Mayors initiative in Eastern Partnership countries</i>	2017	c-393424	500.000
	<i>Support to the Implementation of the Eastern Partnership Multilateral Dimension, Northern Dimension and Black Sea Synergy</i>	2020	c-421957	400.000
	<i>Eastern Partnership territorial Cooperation SUPPORT Programme (Addendum 5 to service contract: ENPI/2012/ 306-259)</i>	2016	c-382966	373.849
	<i>Enabling Strategic Regional Cooperation in the Black Sea Area - Strengthening Effective CSOs Partnerships and Networks</i>	2017	c-387475	350.000
	<i>Assessment of the EU-funded TRACECA-program</i>	2014	c-348115	280.800
	<i>Municipal Finance Study Energy, Environment and Climate in EaP countries</i>	2019	c-409383	162.132

Mobility and people-to-people contacts

Table 13 List of regional interventions 2014-2020: Mobility and people-to-people contacts sector

Intervention title	Related contracts	Ctr year	Dec/Ctr reference	Contracted amount (EUR)
SIGMA - Support for Improvement in Governance and Management			<i>Various decisions</i>	
	<i>Programme for the Support for Improvement in Governance and Management (SIGMA), Sub-Programme for strengthening institutional capacity in the ENI region</i>	2019	c-404688	10.000.000
	<i>Support for Improvement in Governance and Management (SIGMA)</i>	2014	c-342179	8.621.551
	<i>Programme for the Support for Improvement in Governance and Management (SIGMA), Sub-Programme for strengthening institutional capacity in the ENI region</i>	2018	c-398920	2.986.771
Other (contracts from various decisions)				
	<i>EaP Connect I</i>	2015	c-356353	13.000.000
	<i>EU4Digital Initiative: Connecting Research and Education communities (EaPConnect)</i>	2019	c-407452	10.000.000
	<i>OPEN Neighbourhood - Media Hub: Networking, on-the-job training and support to media professionals across the EU Neighbourhood area</i>	2015	c-366658	9.605.200
	<i>The Eastern Partnership European School</i>	2018	c-395929	8.980.000
	<i>Developing knowledge-based European journalism relating to Europe's neighbours, through educational activities - pilot project</i>	2017	c-393621	750.000
	<i>Cross-sectoral cooperation and innovation within Creative and Cultural Industries - practices, opportunities and policies within the area of the Northern Dimension Partnership on Culture</i>	2019	c-410471	170.580
	<i>Eastern Partnership – Integrated Border Management – Capacity Building Project</i>	2014	c-331927	3.314.315
	<i>EaP Culture Programme II: Culture Capacity Development Unit</i>	2014	c-353745	4.251.803
	<i>Support to the Eastern Partnership Panel on Migration and Asylum</i>	2017	c-383046	300.000

Gender-targeted and CSO-specific

Table 14 List of regional interventions 2014-2020 targeting gender and CSOs

Intervention title	Related contracts	Ctr year	Dec/Ctr reference	Contracted amount (EUR)
Eastern Partnership Civil Society Facility			<i>Various decisions</i>	
	<i>Support to the Secretariat of the Eastern Partnership Civil Society Forum II</i>	2018	c-387389	4.500.000

Intervention title	Related contracts	Ctr year	Dec/Ctr reference	Contracted amount (EUR)
	<i>Support to the EaP Civil Society Forum: Strengthening Policy Dialogue and Civic Networks</i>	2020	c-421928	4.500.000
	<i>Technical Assistance on Impact Monitoring of EU Civil Society Support in Eastern Partnership Countries</i>	2018	c-403246	2.716.000
	<i>Civic innovation for strategic communication in the EaP and Russia</i>	2018	c-388236	1.666.947
	<i>STRONG: Sustainable, Target-group oriented, Resilient and Open NGOs with Good governance</i>	2020	c-416178	1.297.828
	<i>Support with the assessment and evaluation of proposals submitted for the call "Neighbourhood Civil Society Facility – Regional Actions"</i>	2014	c-343673	69.840
	<i>Responding to Fast-Changing Civic Landscapes in the Eastern Partnership</i>	2018	c-403414	60.000
	<i>Enhancing and sharing lessons learnt in resilience and self-protection capability of civil society in Georgia, Ukraine and Moldova</i>	2018	c-403391	59.950
Regional East Civil Society Facility			D- 41232	
	<i>Enhancing civil society's role in democratisation processes in the Eastern Partnership</i>	2018	c-396814	7.000.000
	<i>Civil society actors as drivers of change in Armenia, Azerbaijan, Georgia and Moldova</i>	2019	c-413481	1.400.000
	<i>Empowering civil society as governance actors</i>	2019	c-413483	1.400.000
	<i>Armenian-Georgian Platform for Policy Development</i>	2019	c-409143	56.953
Eastern Neighbourhood Civil Society Facility			<i>Various decisions</i>	
	<i>Neighbourhood Civil Society Facility - Regional Actions. Creating synergies and integration</i>	2016	c-381681	4.981.000
	<i>Support to the activities of the Eastern Partnership Civil Society Forum</i>	2014	c-347121	2.807.380
	<i>Strengthen capacity of CSOs in Georgia and Ukraine to contribute to the policy dialogue on Social Service Delivery</i>	2014	c-354162	999.359
	<i>Monitoring Progress Empowering Action</i>	2016	c-362048	902.241
EU4Gender Equality			D-41721	
	<i>EU4Gender Equality: Challenging gender stereotypes and practices in the EaP countries</i>	2019	c-412563	7.500.000
	<i>EU4GenderEquality: Reform Helpdesk</i>	2020	c-420441	1.425.500
Other (contracts from various decisions)				
	<i>OPEN Neighbourhood - Communicating for a stronger partnership: connecting with citizens across the Eastern Neighbourhood</i>	2015	c-367143	8.126.460
	<i>Women in Business</i>	2015	c-371312	5.035.000
	<i>Development of a think tank functions of the Northern Dimension Institute</i>	2018	c-387477	600.000

Intervention title	Related contracts	Ctr year	Dec/Ctr reference	Contracted amount (EUR)
	<i>Building CSO Capacity for Regional Cooperation within the Black Sea Region</i>	2018	c-403667	400.000

Other

Table 15 List of regional interventions 2014-2020: Other themes

Intervention title	Related contracts	Ctr year	Dec/Ctr reference	Contracted amount (EUR)
EU COVID-2019 Solidarity Programme for the Eastern Partnership			D-42750	
	<i>EU COVID-2019 Solidarity Programme for the Eastern Partnership - Health</i>	2020	c-415628	34.720.000
	<i>COVID-19: Civil Society resilience and sustainability</i>	2020	c-417366	4.000.000
	<i>Eastern Partnership - COVID-19 Solidarity Programme</i>	2020	c-417367	4.000.000
Other (contracts from various decisions)				
	<i>EU4Culture</i>	2020	c-417654	7.850.000

Annex III. Intervention logic

Approach for the reconstruction of the intervention logic

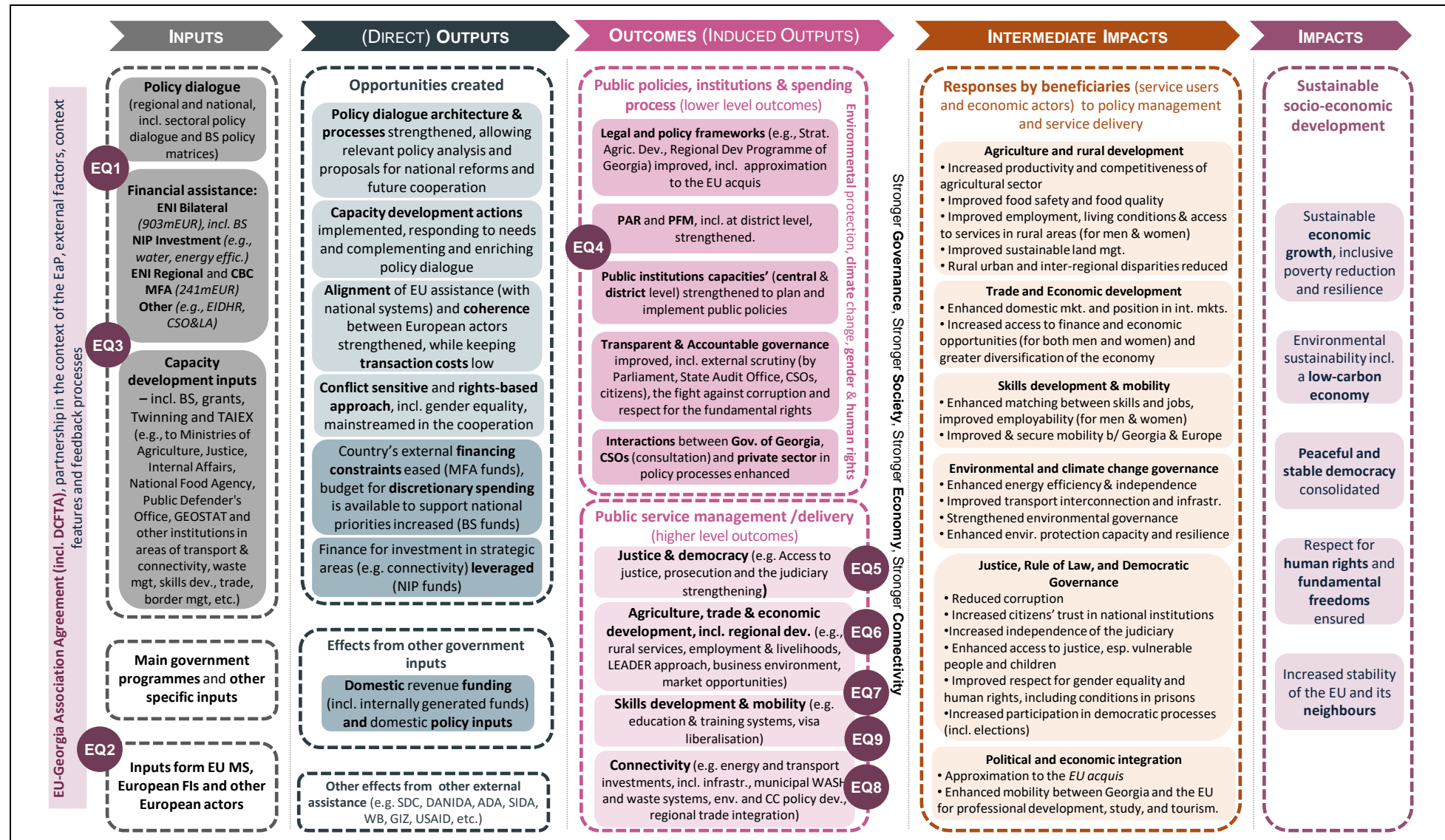
This is a *theory-based evaluation*, meaning that it is based on a Theory of Change (ToC) and underlying assumptions, which corresponds to the *Intervention Logic* (IL) for the EU's cooperation with Georgia. The "reconstructed" IL is a conceptual model of the causal chain from inputs to outputs, outcomes and impacts (chain of expected results) that the EU had in mind when it planned and implemented its external actions. It provides a simplified framework for the Evaluation by: (i) contributing to the formulation of the Evaluation Questions and its judgment criteria (which relate to underlying assumptions to be tested); (ii) facilitating the analysis of the EU policy framework (including in terms of coherence), and (iii) guiding the Evaluation Team's data collection and analysis in the Desk, Field and Synthesis phases. It is the working basis for an empirical evaluation approach which will validate, invalidate, or qualify its components.

The design of the IL of the EU-Georgia cooperation builds on the draft IL presented in the technical offer and is based on the key strategic documents which served to provide the key objectives of the EU strategy at different levels. Among these key reference documents are: (i) the Association Agreement (AA) between the EU and Georgia; (ii) the Association Agendas 2014-2016 and 2017-2020; and (iii) the SSFs for 2014-2017 and for 2017-2020.

The IL, which is shown in Figure 1 and discussed in the accompanying text below, is the Team's understanding of how EU's cooperation with Georgia was expected to lead to the anticipated outputs, outcomes and, ultimately, progress towards broader objectives in the form of impacts. The results chains which underpin the IL are based on a set of general assumptions:

- **Contextual factors:** the global, regional, and national context will, if not enabling, at least not prevent progress from being made at the various levels of the ToC. In particular, the overall political and economic stability of the country is maintained; negative impact on the socio-economic development in the wake of and following the COVID-19 pandemic can be mitigated; climate change impact and disaster risk vulnerability can be mitigated.
- **National stakeholders' commitments:** national stakeholders in Georgia (including national authorities) have the will and necessary resources to support the strategic goals in relation to the supported sectors. In particular, there is availability of sufficient national financial resources to underpin the government's commitment and ability to implement its reforms; government efforts are not diverted to other priorities through fiscal constraints, leading to sufficient investment in the supported sectors.
- **Development Partners' contributions.** Development Partners' (DPs') support, especially that related to specific areas of intervention, is implemented as expected and in a coordinated manner to maximize the efficiency and effectiveness of the combined support actions. Implementing institutions have sufficient institutional and human capacity to deliver the promised reforms; proper policy analysis, planning, monitoring and reporting ensure effective steering of policy implementation and financial management; funds are being used for the planned purposes.
- **EU support:** the EU interventions are of high quality and conducted efficiently. EU internal and external policies are coherent and the EU's External Financing Instruments are fit for purpose. Financial and human resources are adequate to respond to the EU policy commitments and the institutional environment remains stable and sufficiently conducive for the implementation of the planned actions, including sufficient information flows from HQ to the country level (EUD/EU MS embassies) and from the country level to HQ.

Figure 1 Overall Intervention Logic



Source: Particip GmbH

The different levels of the intervention logic

EU cooperation with Georgia takes place in the context of various strategic/policy frameworks (see also section **Error! Reference source not found.** above). The support is also enshrined in the EU legal and policy framework, including the ENI Regulations, ENP, EaP 20 Deliverables for 2020, and EaP beyond 2020.

EU support to Georgia covers two types of “*Inputs*”: (i) Political and policy commitments as well as capacity building; (ii) spending and non-spending activities on the bilateral, regional, thematic and global level as well as trade negotiations and trade-related assistance. Spending activities cover various aid delivery methods such as budget support, Twinning, blending/investment financing, technical assistance and service contracts, grants, delegated agreements, TAIEX and CBC. Non-spending activities cover policy dialogue, coordination and advocacy at all levels.

Table 16 provides further details on the different levels of the (re)constructed IL.

Table 16 Overview of the different levels of the (re)constructed IL

Levels	Details
(Direct) Outputs	The inputs described above are projected to lead to tangible short-term results (“ <i>Outputs</i> ” ¹) in technical capacity, investment and collaboration covering the main thematic areas. These outputs could be manifested as the degree to which (i) progressive legislation and a strengthened policy framework as well as strengthened capacity on the level of government, institutions in general, and civil society have been created; and (ii) development plans and strategies (including related budgets) have been implemented at sector level.
Outcomes (Induced outputs)	The ToC foresees that the combined outputs result in higher-level intermediate or lower level <i>outcomes</i> covering improved management capacities of public entities and their ability to deliver public services for the use of the population, private sector and/or other public entities, as well as enhanced legal and policy frameworks in the main sectors of intervention. Strengthened policy frameworks and public service management/delivery combined are expected to contribute to enhancing Georgia’s response to different sectoral focus areas, including through better formulation, monitoring and implementation of policies. It is anticipated that these responses will directly lead to progress in a variety of <i>outcome areas</i> such as justice and democracy, agriculture, trade and economic development, skills development and mobility, and connectivity.
Intermediate impacts	It is anticipated that these outcomes will lead to a variety of <i>intermediate impacts</i> , generated through the interaction of beneficiaries (service users and economic actors) with outcomes described above. At the level of intermediate impacts, the IL tracks medium and long-term social, economic and political changes. These effects are particularly traceable at the sectoral level, but their combination can also contribute to effects on other sectors and on broader issues. Overall, EU support is expected to contribute to economic prosperity, good governance, and stronger connectivity. More specifically, expected medium/long term effects of EU support concern the following areas: <ul style="list-style-type: none"> • Agriculture and Rural development; • Trade and Economic development; • Skills development, education and mobility; • Connectivity, energy, environment & CC; • Governance, Rule of Law and Justice; • Peace, Stability and Conflict resolution; and • Political association and economic integration.
Overall impacts	Once impacts have been achieved with regard to specific key development areas, they are expected to contribute to higher-level impacts for the whole country and its people. These are: Sustainable economic growth and inclusive poverty reduction; Progress towards a low-carbon economy; Enhanced (incl. environmental) resilience of the society; Peaceful and stable democracy consolidated; Respect for human rights and fundamental freedoms ensured; and Increased stability of the EU and its neighbours.

¹ The Evaluation recognises that some expected short-term results (“outputs”) in the ToC can appear partially beyond the direct realm of influence of EU-funded activities and can thus be seen as “lower level” outcomes.

Annex IV. The Evaluation Matrix

The overall IL (as presented in Annex III) visualises the reconstructed ToC and constitutes the backbone of the evaluation. Based on this IL, the draft EQs presented in the ToR, and the preliminary work carried out in the inception phase, nine EQs have been formulated to capture the complexity of the EU cooperation in Georgia and serve as an organising framework to examine its effects.

Each EQ is structured around a limited number of JCs which will be assessed through the analysis of specific indicators. As presented by the following overview table and detailed further below, the EQs have been clustered into two broad categories: i) *Transversal EQs*; and ii) *Sectorial EQs*.

Table 17 EQ coverage of the DAC and EC-specific evaluation criteria

EQ \ Evaluation criteria	Relevance	Efficiency	Effectiveness	Impact	Sustainability	Coherence, incl. coordination & complementarity	EU value added
Transversal EQs							
EQ1. Policy and strategic framework	●●●				●	●●	●●
EQ2. EU complementarity and added value	●●	●●●				●●●	●●●
EQ3. Instruments, modalities, and funding channels	●●	●●	●●		●	●●	●
Thematic EQs							
EQ4. Public Administration Reform, incl. PFM	●		●●	●●●	●●●		
EQ5. Justice, Rule of Law, and democratic governance	●		●●	●●●	●●●		
EQ6. Agriculture and rural development	●		●●	●●●	●●●		
EQ7. Economic development and market opportunities (DCFTA, SMEs and VET)	●		●●	●●●	●●●		
EQ8. Connectivity (energy, transport, environment and climate change)	●		●●	●●●	●●●		
EQ9. Mobility and people-to-people contacts	●		●●	●●●	●●●		

●●● Largely covered

●● Covered

● Also covered

Transversals EQs

EQ1 - Policy and strategic framework


To what extent was the EU's cooperation strategy with Georgia, taken as a whole, relevant to national/local needs and coherent with EU long-term policy objectives, including in particular the Association Agreement?	
<i>Description/ Rationale</i>	<i>This EQ assesses the extent to which the design of the EU cooperation with Georgia has responded to, and been aligned with, the country's priorities and population needs. The EQ also looks at the way EU support across the entire portfolio achieved consistency and coherence in its cooperation with Georgia. JC1.1 focusses on the appropriateness of the cooperation's objectives for the national development priorities and needs and for building a partnership based on mutual interests as expressed in the Association Agreement. JC 1.2 examines whether the intervention logic adopted, and the underlying theory of change, was suitable and appropriate for pursuing the objectives of the cooperation. JC 1.3 looks into the complementarity between bilateral programming and other forms of cooperation. This EQ mainly addresses the evaluation criteria of relevance (a major dimension in JC 11) and coherence (a major dimension in JC 12 and 13).</i>



JC1.1	The objectives of the cooperation strategy at sector and overall level were appropriate to respond to the country's priorities and population needs and to build a partnership based on mutual (EU-Georgia) interests as expressed in the Association Agreement.
I-1.1.1	Degree to which the <u>selection of priority sectors</u> for cooperation responded to a clear rationale.
I-1.1.2	Evidence that regularly updated <u>context analyses</u> were used to design, and modify as needed, the overall cooperation strategy and individual interventions.
I-1.1.3	Degree to which overall and sector level cooperation <u>objectives</u> (short-, medium- and long-term) and the related population needs (incl. those of vulnerable groups) that they were expected to respond to were clearly identified.
I-1.1.4	Evidence that the formulation of the cooperation strategy and of individual interventions were underpinned by <u>inclusive (e.g., civil society, private sector) stakeholder consultation processes</u> .
I-1.1.5	Degree of integration of <u>EU's country- and regional strategic interests</u> , incl. trade and security, into the design of the overall cooperation strategy and individual interventions.
JC1.2	The logic adopted in country-level programming, including its sequencing and focus in terms of level of interventions and targeting, was appropriate for pursuing cooperation objectives taken as a whole.
I-1.2.1	Evidence that the <u>results frameworks</u> adopted at overall cooperation strategy and sector levels were internally consistent, including in terms of clear sequencing between short-, medium- and long-term objectives.
I-1.2.2	Adequate design of cooperation support in terms of the level of interventions (e.g., local vs central level), and actors targeted (e.g., private sector, local authorities, national institutions, civil society).
I-1.2.3	Evidence that <u>linkages between levels of interventions</u> (regional, national, local) were foreseen in order to achieve synergistic effects at high strategic level.
JC1.3	Bilateral and regional geographic and other forms of cooperation support (thematic budget lines, non-spending actions such as policy and political dialogue incl. human rights, trade, visa liberalisation, and security, and spending and non-spending actions by non-RELEX DGs such as HOME and TRADE) have been mutually reinforcing.
I-1.3.1	Degree to which EU country- and EU regional-level and cross-border cooperation support complemented and reinforced each other.
I-1.3.2	Degree of complementarity achieved between bilateral support and <u>thematic budget lines</u> (incl. EIDHR, CSO/LA, IcSP).
I-1.3.3	Degree of complementarity achieved between bilateral support and <u>other forms of cooperation</u> including those contributing to enhanced mobility between Georgia and the EU for professional development, study, and tourism.
I-1.3.4	Evidence that the cooperation programme and high-level <u>dialogue</u> (i.e., political, and strategic, not technical or operational) have been mutually reinforcing.
I-1.3.5	Evidence that linkages are foreseen between <u>development</u> and " <u>non-development</u> " ² <u>cooperation</u> ; e.g. EEAS (such as the EUMM) and DGs TRADE, ECFIN, and HOME spending and non-spending external actions.
I-1.3.6	MFA and support provided through other instruments/modalities have been effectively combined to address the context of the <u>COVID-19</u> emergency.
Main sources and data collection tools	
<ul style="list-style-type: none"> • <u>Means of verification</u>: Document review, Key informant interviews (KIIs), online survey, EU spending inventory. • <u>Documentary sources</u>: EU-Georgia related policy documents, strategy/programming documents (incl. MIPs, NIPs, SSFs, CSPs and CEPs), intervention-level documentation (including descriptions of action, monitoring reports, ROM reports, internal and external project/programme evaluations), EC strategic evaluations, open source reports and assessments. • <u>Interviews</u>: Relevant officials in Brussels (EEAS, DG NEAR, DG TRADE, DG ECFIN); EUD (Head of Delegation, Cooperation and Political sections, sector leads, programme managers); EU MS national representatives; Officials in national partner government; representatives of regional/multilateral organisations at headquarters and in Georgia; Civil Society actors (local, national and international). 	

² In our analysis, non-development cooperation covers actions/areas of interventions which do not (or only to a limited extent) involve traditional development actors. These include exchange of information on security and military issues or dialogue on trade where traditional development actors are only involved on an ad hoc basis.

EQ2 - EU complementarity and added value

To what extent has EU-Georgia bilateral and regional co-operation been coherent with and complementary to interventions of EU Member States and other donors, including in particular EU financial institutions?		
<i>Description/ Rationale</i>	<i>This EQ assesses the synergies that were created and achieved between the EU support and the interventions of EU Member States and other donors, including European financial institutions such as EBRD and EIB. JC 2.1 looks at complementarity and coordination, i.e. the way EU support and the actions of EU MS and other donors complemented and reinforced each other. It also examines the creation of synergies and evidence of progress in joint programming efforts. JC 2.2 assesses the degree of added benefits brought by EU support and also focusses on visibility and public awareness of EU cooperation in Georgia. This EQ addresses coherence, coordination and complementarity (main focus of JC21) and EU added value (main focus of JC22).</i>	
JC2.1	EU support and the actions of EU MS and other donors, incl. European financial institutions, complemented and reinforced each other.	
I-2.1.1	Degree of <u>complementarity, co-ordination</u> and task division between DG NEAR/EEAS and other donors, incl. EU MS and European financial institutions.	
I-2.1.2	Evidence of progress in <u>joint analysis and programming</u> (EU/MS).	
I-2.1.3	Evidence of <u>synergies</u> between EU support and the actions of EU MS, European financial institutions (e.g., through blending) and other donors.	
I-2.1.4	Degree to which the “Team Europe” approach, combining resources from the EU, EU MS, and European agencies and financial institutions, has been an effective; e.g., in response to <u>COVID-19</u> .	
JC2.2	Degree to which EU cooperation support <u>added benefits</u> to what would have resulted from actions taken by the EU MS on their own.	
I-2.2.1	EU better able than MS to raise critical European issues in <u>policy and political dialogue</u> .	
I-2.2.2	EU visibility adequately taken into account in <u>strategy and implementation</u> .	
I-2.2.3	EU <u>perceived by Georgia as a long-term partner</u> able to provide substantial resources on a predictable basis.	
I-2.2.4	Degree of <u>public awareness</u> of EU cooperation support and its results.	
I-2.2.5	Evidence that similar (or stronger) effects could have not been achieved in the <u>absence of EU support</u>	
Main sources and data collection tools		
<ul style="list-style-type: none"> • <u>Means of verification</u>: Document review, Key informant interviews (KIIs), online survey, EU spending inventory. • <u>Documentary sources</u>: EU-Georgia related policy documents, strategy/programming documents (incl. MIPs, NIPs, SSFs, CSPs and CEPs), intervention-level documentation (including descriptions of action, monitoring reports, ROM reports, internal and external project/programme evaluations), EC strategic evaluations, open source reports and assessments. • <u>Interviews</u>: Relevant officials in Brussels (EEAS, DGs NEAR, DG TRADE, DG ECFIN); EUDs (Heads of Delegation, Cooperation and Political section, sector leads, programme managers); EU MS national representatives; Officials in national partner governments; representatives of regional/multilateral organisations at headquarters and in case study countries; Civil Society actors (local, national and international). 		


EQ3 - Instruments, modalities, and funding channels

To what extent have the various instruments, modalities and funding channels, and their combinations, been appropriate to achieve the objectives of EU cooperation with Georgia?	
<i>Description/ Rationale</i>	<i>This EQ assesses the appropriateness of the instruments and modalities applied in the cooperation for the achievement of development objectives. Instruments refers to sources of finance, modalities principally to budget support and projects, and channels include Government itself, international organisations, EU MS agencies, national and international NGOs, and private sector consultancy firms. The assessment also includes political and policy dialogue. JC 3.1 examines the responsiveness of the instruments and aid modalities (sector reform performance contracts, technical assistance and service contracts, grants, delegated agreements with EU Member States and IFIs, TAIXE, Twinning, blending and financial instruments, CBC grants) to the national context. JC 3.2 focusses on the extent to which modalities and funding channels were flexible enough and ensured timely delivery of EU support. JC 3.3 looks at the robustness of the existing monitoring, evaluation and learning mechanisms. This EQ mainly covers relevance and coherence (major dimensions of JC31 and JC33) as well as efficiency (a major dimension of JC22), while also addressing issues of effectiveness and EU added value.</i>
JC3.1	The instruments, modalities, and funding channels used and their combination with EU engagement in policy and political dialogue facilitated the attainment of the intended objectives while promoting national ownership.
I-3.1.1	Clarity of the <u>rationale</u> (incl. identification of comparative advantages) behind design choices regarding instruments, modalities, and funding channels.
I-3.1.2	Degree of linkages between EU engagement in <u>policy dialogue</u> and EU interventions, including extent to which the modalities and funding channels used ensured the adequate incorporation of <u>policy/reform conditionality</u> in the support provided.
I-3.1.3	Degree to which modalities and funding channels used supported a robust <u>results-based approach</u> for the implementation of the cooperation strategy.
I-3.1.4	Evidence that modalities and funding channels promoted <u>national ownership</u> .
JC3.2	The modalities and funding channels used have ensured timely delivery of EU support while minimising transaction costs.³
I-3.2.1	Evidence of <u>timely delivery</u> of EU support (including identification of main factors explaining delays).
I-3.2.2	Evidence that instruments, modalities and funding channels allow <u>flexibility</u> during implementation and responsiveness to changing contexts.
I-3.2.3	Perception of <u>transaction costs</u> by parties involved.
JC3.3	Design and implementation of EU cooperation support benefitted from solid monitoring, evaluation and learning mechanisms, and enhanced EU visibility.
I-3.3.1	Extent to which qualitative and quantitative evidence (including data disaggregated by sex, age, etc.) has been regularly collected (by implementing partners, monitors, EUD, etc.) at both <u>output and outcome/impact levels</u> .
I-3.3.2	Degree of <u>integration of lessons learnt</u> from past policies, strategies and interventions in the design of new interventions.
I-3.3.3	Degree of <u>awareness</u> among national authorities and beneficiaries of key measures supporting the cooperation strategy, including EU non-bilateral support.
Main sources and data collection tools	
<ul style="list-style-type: none"> • <u>Means of verification</u>: Document review, Key informant interviews (KIIs), online survey, EU spending inventory. • <u>Documentary sources</u>: EU-Georgia related policy documents, strategy/programming documents (incl. MIPs, NIPs, SSFs, CSPs and CEPs), intervention-level documentation (including descriptions of action, monitoring reports, ROM reports, internal and external project/programme evaluations), EC strategic evaluations, open source reports and assessments. • <u>Interviews</u>: Relevant officials in Brussels (DGs NEAR); EUDs (Heads of Delegation, Cooperation and Political section, sector leads, programme managers); EU MS national representatives; Officials in national partner governments; representatives of regional/multilateral organisations at headquarters and in case study countries; Civil Society actors (local, national and international). 	


³ Conventionally defined as staff time (EU and beneficiary), overhead, consultancy fees, etc.

Thematic EQs

EQ4 - Public Administration Reform, including Public Financial Management


To what extent has EU support to Georgia contributed to improving the efficiency, accountability and transparency of the public sector through Public Administration Reform, including improved Public Financial Management?		
<i>Description/ Rationale</i>	<i>The PAR programme aimed to support the Government in implementing the PAR Roadmap 2015-20 and its Action Plan, the reform of the central public administration, including modernisation of the civil service, introduction of a more policy driven and results-oriented management approach, an improvement in the quality and accessibility of public services and the introduction of decentralisation through an increase in transparency, accountability and integrity in the public sector. In PFM, a strong emphasis was placed on increasing efficiency in the management of public funds, focusing specifically on accountability and transparency by involving a higher level of political and institutional responsibilities with checks and balances and by facilitating a more informed oversight by non-state actors and citizens. JC 4.1 examines public institutions' capacity for policy making and implementation in general and JC4.2 specifically focusses on PFM and the specific functions essential to it.</i>	
JC4.1	Increased public institutions' capacities (central & regional / local level) to plan and implement public policies	
I-4.1.1	Increased <u>capacity of key stakeholders (including CSOs)</u> to manage, coordinate and monitor PAR processes at national and sub-national level, strengthen external scrutiny and consultation and ensure sustainability	
I-4.1.2	Trends in <u>public confidence</u> in government agencies and national institutions as evidenced by opinion survey results.	
I-4.1.3	Trends in public <u>perception of corruption</u> and measures to reduce corruption	
I-4.1.4	Trends in access to public information and <u>openness and accountability</u> mechanisms, e.g. through e-governance	
JC4.2	Strengthened PFM system overall and within individual components (e.g., budgeting, financial control, auditing) at central and sub-national levels.	
I-4.2.1	Improved overall <u>performance of the PFM system</u> as evidenced by PEFA and other PFM assessments.	
I-4.2.2	<u>Progressively improved transparency</u> , accountability, and gender responsiveness of the PFM system, with enhanced opportunities for participation in the budget process from planning to implementation and monitoring.	
I-4.2.3	Effective <u>policy dialogue</u> between the EU and the Government of Georgia on PFM issues	
I-4.2.4	Improvements in <u>budgeting, financial control and procurement</u> at national and sub-national levels	
Main sources and data collection tools		
<ul style="list-style-type: none"> • <u>Means of verification</u>: Document review, Key informant interviews (KIIs), online survey, EU spending inventory. • <u>Documentary sources</u>: EU-Georgia related policy documents, strategy/programming documents (incl. MIPs, NIPs, SSFs, CSPs and CEPs), intervention-level documentation (including descriptions of action, monitoring reports, ROM reports, internal and external project/programme evaluations), EC strategic evaluations, reports and assessments, from external other sources, international and national statistics, and international and national surveys, where relevant. • <u>Interviews</u>: Relevant officials in Brussels (DGs NEAR, DG ECFIN); EUDs (Heads of Delegation, Cooperation and Political section, sector leads, programme managers); SIGMA; EU MS national representatives; Officials in national partner governments; representatives of regional/multilateral organisations at headquarters and in case study countries; Civil Society actors (local, national and international). 		

EQ5 - Justice, Rule of Law, democratic governance, and human rights

To what extent has EU support to Georgia contributed to strengthening justice, the Rule of Law, and democratic governance and human rights?		
<i>Description/ Rationale</i>	<i>Justice, Rule of Law, democratic governance, and human rights have been central concerns of EU cooperation both before and since the ground-breaking Hammarberg Report of 2013 set forth a roadmap of needed institutional and constitutional reforms for the newly elected government and those to follow. These have ranged from intensely operational concerns such as measures</i>	


	<i>to combat ill treatment to structural reforms affecting independence and quality of the judiciary, access to justice, and the equality of arms. JC5.1 focusses mostly on the mechanics of how justice is done; covering issues such as legal aid, juvenile justice, and commercial justice. JC5.2 covers more structural issues such as independence of the judiciary, the balance of power between rights- and duty-bearers, and property rights, JC5.3 adds the dimension of democratic governance considered at the broadest level, including the level of trust in democracy itself as a form of governance.</i>
JC5.1	Justice system strengthened
I-5.1.1	Expanded <u>access to justice</u> (e.g., legal aid, court information systems, E-justice), especially among women and ethnic / linguistic / sexual minorities.
I-5.1.2	Implementation of <u>child-friendly justice sector reforms</u> .
I-5.1.3	<u>Alternatives to incarceration</u> , ADR, probation effectively used.
I-5.1.4	Prosecutorial and criminal investigation <u>capacities</u> increased.
I-5.1.5	<u>Case backlogs and average time</u> to resolution in both criminal and civil / administrative proceedings reduced
JC5.2	Rule of Law strengthened
I-5.2.1	Strengthened <u>independence</u> of the judiciary.
I-5.2.2	Increased <u>trust</u> in justice system (judges, prosecutors, law enforcement) as evidenced, e.g., by opinion surveys
I-5.2.3	<u>Property rights</u> strengthened; faster and fairer litigation in <u>commercial matters</u> ; e.g., dispute resolution, insolvency, enforcement of judgments.
JC5.3	Democratic institutions strengthened
I-5.3.1	Public opinion survey results indicate strong <u>belief in democracy</u> as the best form of governance
I-5.3.2	Laws and policies support <u>free media</u> , incl. investigative journalism
I-5.3.3	Political participation of <u>women</u> and ethnic / linguistic / sexual <u>minorities</u> strengthened.
I-5.3.4	Adequate engagement of Government and <u>Civil Society</u> .
I-5.3.5	Parliament has adequate <u>capacity</u> to draft legislation, analyse its impact, etc.
JC5.4	Human Rights Enhanced
I-5.4.1	Public knowledge and assessment of human rights situation in Georgia (through reports and opinion surveys).
I-5.4.2	Ombudsman and State Inspector's Office function effectively and independently.
I-5.4.3	Human Rights NGOs, including women's rights NGOs, function effectively.
I-5.4.4	Adherence to international human rights standards and conventions (anti-discrimination and protection of rights of vulnerable groups (minorities broadly defined, women, LGBTQI, PWDs, juveniles in conflict with the law, etc.)
Main sources and data collection tools	
<ul style="list-style-type: none"> • <u>Means of verification</u>: Document review, Key informant interviews (KIIs), online survey, EU spending inventory. • <u>Documentary sources</u>: EU-Georgia related policy documents, strategy/programming documents (incl. MIPs, NIPs, SSFs, CSPs and CEPs), intervention-level documentation (including descriptions of action, monitoring reports, ROM reports, internal and external project/programme evaluations), EC strategic evaluations, reports and assessments from external other sources (e.g., CoE), international and national statistics, and international and national surveys, where relevant. • <u>Interviews</u>: Relevant officials in Brussels (DGs NEAR, JUST, EEAS); EUDs (Heads of Delegation, Cooperation and Political section, sector leads, programme managers); EU MS national representatives; Officials in national partner governments; representatives of regional/multilateral organisations at headquarters and in case study countries; Civil society actors (local, national and international). 	

EQ6 - Agriculture and rural development

<p>To what extent has EU support to Georgia contributed to achieving an increase in the competitiveness of the agricultural sector and the diversification of economic activity in rural areas, as well as a reduction in rural/urban and territorial disparities and increased regional integration?</p>		
<i>Description/ Rationale</i>	<p><i>EU support through the European Neighbourhood Programme for Agricultural and Rural Development (ENPARD), one of the longest-running budget support programmes in the Eastern Neighbourhood (now in its fourth phase lasting through 2025), has focused on making the agricultural sector more productive and competitive and on developing rural development measures to increase rural incomes and livelihoods through diverse forms of economic activity and using participatory approaches to local development. The JCs used here address different dimensions of this broad programme. JC6.1 focuses on competitiveness, necessary to raise incomes, reduce over-dependence on food imports, and attract export markets. Closely related to the latter, as well as consumer safety, JC 6.2 deals with food safety and inspection, one of</i></p>	


	<i>ENPARD's recent concerns and the subject of previous Comprehensive Institution Building. JC6.3 looks at the broader aspects of Georgian agriculture related to rural development, including reducing rural-urban and inter-regional disparities.</i>
JC6.1	Increased competitiveness of the agricultural sector
I-6.1.1	Strengthened <u>capacity</u> of institutions (including CSOs and BSOs), and individuals within the agriculture and rural development sector to implement AA/DCFTA and to engage in participatory policy dialogue.
I-6.1.2	Support to <u>agricultural cooperatives</u> : increase in number registered and increase in their turnover and market share.
I-6.1.3	Increased employment opportunities for rural <u>women</u> .
I-6.1.4	Increases in output, <u>productivity</u> , agricultural exports, food import substitution, and farmers' incomes.
JC6.2	Improvements in food safety and quality standards and inspection practices provide better consumer protection and facilitate exports of agricultural products to the EU
I-6.2.1	Improved <u>Sanitary & Phyto-sanitary (SPS)</u> measures in line with EU standards and adopted through open and direct participation of civil society actors.
I-6.2.2	Improved <u>food safety measures, quality standards</u> , and inspection practices in line with EU standards (EU <i>acquis</i>).
I-6.2.3	<u>Food safety inspection system</u> strengthened, with transparency of inspection results to the public and consumer rights organisations, to the benefit of consumers.
JC6.3	Strengthened rural development and reduced urban-rural and inter-regional disparities
I-6.3.1	Expanded <u>rural employment</u> opportunities (business enterprise and SMEs; non-agricultural rural initiatives and employment; rural <u>women</u> and youth and ethnic/linguistic minorities).
I-6.3.2	Increased <u>capacity</u> of local authorities, community groups and <u>civil society</u> for participation, decision-making and implementation of policies.
I-6.3.3	Increased <u>rural incomes and living standards</u> (evidenced by household income and expenditure surveys, etc.) and improved rural access to social services (health, education, legal, social welfare), education, and public goods (roads, infrastructure, community centres, etc.) (sex-disaggregated where possible)
I-6.3.4	Narrowing of rural-urban living standards gap and reduction in regional and <u>territorial disparities</u> .
Main sources and data collection tools	
<ul style="list-style-type: none"> • <u>Means of verification</u>: Document review, Key informant interviews (KIIs), online survey, EU spending inventory. • <u>Documentary sources</u>: EU-Georgia related policy documents, strategy/programming documents (incl. MIPs, NIPs, SSFs, CSPs and CEPs), intervention-level documentation (including descriptions of action, monitoring reports, ROM reports, internal and external project/programme evaluations), EC strategic evaluations, reports and assessments from external other sources, international and national statistics, and international and national surveys, where relevant. • <u>Interviews</u>: Relevant officials in Brussels (DG NEAR); EUD (Heads of Delegation, Cooperation and Political section, sector leads, programme managers); EU MS national representatives; Officials in national partner governments; representatives of regional/multilateral organisations at headquarters and in case study countries; Civil society actors (local, national and international). 	

EQ7 - Economic development and market opportunities (DCFTA, SMEs, VET)

To what extent has EU support to Georgia contributed to better economic development and increased market opportunities including trade development, support to SMEs, innovation, vocational educational training and skill development?		
Description/ Rationale	<p><i>The purpose of support to DCFTA and SMEs was to assist the GoG in the implementation of the DCFTA, which was designed to facilitate Georgia's economic integration into the EU market through institutional and regulatory reforms in trade and private sector development, with a particular focus on strengthening the capacities of Georgian SMEs (to enable them to benefit from the positive effects of the DCFTA). Included in SME development are entrepreneurship and access to finance when business opportunities arise. Closely related to SME development in line with DCFTA is support to skills development and Vocational Education and Training (VET). EU support to VET and employment focused on improving cooperation between VET and various public and private bodies active in the labour market, increasing the attractiveness of the VET system to potential students and employers and improving access to quality VET and employment service provision. A key focus of support was on developing skills and matching these against labour market needs (linked to market opportunities) with the intention that developing human capital and skills sets would contribute to sustainable and inclusive growth and strengthen coordination between the education system (especially VET) and the labour market. The JCs</i></p>	


	<i>below address the opportunities raised by DCFTA (JC7.1), strengthening SMEs (JC7.2), and VET/labour market strengthening by improved matching of skills with needs (JC7.3).</i>
JC7.1	Improved trade environment in line with DCFTA
I-7.1.1	Progress on trade-related approximation measures (SPS, animal welfare, public procurement, standards and technical barriers to trade, metrology, accreditation, anti-dumping, etc.) as foreseen in DCFTA Action Plans.
I-7.1.2	Enhanced <u>capacities of relevant trade institutions</u> to develop domestic markets and gain access to regional and European ones.
I-7.1.3	Export and import mix increasingly reflect both static and dynamic <u>comparative advantage</u> .
I-7.1.4	Increased <u>competitiveness and diversification</u> of SMEs and enterprises, including those export oriented.
JC7.2	Improved business environment for male- and female-owned SMEs
I-7.2.1	Needs-based and gender-sensitive advisory and <u>capacity building services</u> to SMEs and enterprises provided, e.g. in entrepreneurship, opportunity-recognition, innovation, value-chain analysis, e-commerce, ITC, and access to finance.
I-7.2.2	Internal procedures / <u>regulations applying to SMEs</u> , (registration, export licenses, inspection, customs clearance, etc.) including those facilitating regional and European integration, strengthened.
I-7.2.3	SME sector <u>diversified</u> and increasingly <u>competitive</u> on internal and external markets.
I-7.2.4	<u>Formal Public/Private platform</u> , including SME-related associations and other relevant stakeholders, to support SME development and the development of policy recommendations, established and functioning.
JC7.3	Improved skills development and matching with labour market needs.
I-7.3.1	Policy, regulatory and institutional frameworks for VET (e.g., skills development, lifelong learning / re-qualification, certification / qualification standards etc.) strengthened through direct stakeholder engagement.
I-7.3.2	<u>Capacity of relevant educational institutions</u> (e.g., in teaching, curriculum development, career counselling, transition-from-training-to-employment guidance, etc.), improved.
I-7.3.3	Skills-matching, skill development, and employment services provided, particularly for youth and vulnerable groups (sex-disaggregated when possible), on the basis of reliable and timely labour market statistics / analyses / forecasts.
I-7.3.4	International mobility mechanisms for students, researchers, workers, and professionals provided (incl. credential standardisation).
Main sources and data collection tools	
<ul style="list-style-type: none"> • <u>Means of verification</u>: Document review, Key informant interviews (KIIs), online survey, EU spending inventory. • <u>Documentary sources</u>: EU-Georgia related policy documents, strategy/programming documents (incl. MIPs, NIPs, SSFs, CSPs and CEPs), intervention-level documentation (including descriptions of action, monitoring reports, ROM reports, internal and external project/programme evaluations), EC strategic evaluations, open source reports and assessments. • <u>Interviews</u>: Relevant officials in Brussels (DGs NEAR, TRADE, EMPL, EAC); EUDs (Heads of Delegation, Cooperation and Political section, sector leads, programme managers); EU MS national representatives; Officials in national partner governments; representatives of regional/multilateral organisations at headquarters and in case study countries; Civil society actors (local, national and international). 	

EQ8 - Connectivity (energy, transport, environment and climate change)

To what extent has EU support to Georgia contributed to improved connectivity, (energy, transport, environment and climate change)?		
Description/ Rationale	<p><i>Connectivity is crucial to achieve further economic and geographical integration, particularly in light of Georgia's location as an Asia-Europe transit hub. It is also crucial for the Eastern Partnership goal of regional integration. This enhanced connectivity will contribute to economic growth and poverty reduction in the country. Introduced as a focal area in the SSF 2017-2020, aspects emphasised were energy and energy efficiency, transport, and environment and climate change, which are the subjects of the JCs employed here: energy security and efficiency (JC8.1), transport nodes, links, and networks (JC8.2), and environment and climate change (JCs 8.3 and 8.4). More than other areas examined in this evaluation, Connectivity involves long-term, capital-heavy investment, meaning that the use of innovative financial approaches, such as blending; as well as a planning-intensive long-term perspective emphasising economic linkages, are required.</i></p>	
JC8.1	Enhanced energy security and increased energy efficiency.	

I-8.2.1	Improved <u>legal and regulatory basis</u> for energy markets, energy efficiency, renewable energy improved.
I-8.2.2	<u>Energy Community Treaty commitments</u> (legislation, implementation, planning, monitoring and reporting) for Electricity and Gas markets met
I-8.2.3	<u>Innovative tools</u> (e.g., blending) effectively used to leverage ENI support for sustainable energy development.
I-8.2.4	<u>Barriers to energy efficiency</u> (EE) (e.g., price subsidies, lack of finance, lack of awareness) reduced through, e.g., legislative reform and concrete investments.
JC8.2	Improved transport connectivity.
I-8.1.1	Increased participation in <u>international transport agreements</u> (TEN-T, Air, Maritime)
I-8.1.2	Improvements in international transport <u>linkages</u> (Air, Maritime, Road, Rail)
I-8.1.3	Improvements in <u>inter-urban road and rail connections</u> and transport.
I-8.1.4	<u>Innovative tools</u> (e.g., blending) effectively used to leverage ENI support for sustainable transport development.
JC8.3	Strengthened environmental governance and actions.
I-8.3.1	Improved <u>legal basis for environmental sector governance</u> (GHG emissions, biodiversity, forestry management, municipal WASH and waste management, air and water pollution, forestry management, etc.), including meaningful public/CSO participation.
I-8.3.2	<u>Environmental Impact Assessments</u> produced and incorporated into policymaking.
I-8.3.3	<u>Innovative tools</u> (e.g., blending) effectively used to leverage ENI support for urban WASH, waste management, utilities, and pollution reduction.
JC 8.4	Increased actions combatting climate change
I-8.4.1	<u>Commitments to Paris Agreement</u> made and updated (NDCs and NAMAs).
I-8.4.2	<u>Mitigation actions</u> carried out and emission reductions achieved.
I-8.4.3	<u>Adaptation Plans</u> produced and concrete actions implemented.
Main sources and data collection tools	
<ul style="list-style-type: none"> • <u>Means of verification</u>: Document review, Key informant interviews (KIIs), online survey, EU spending inventory. • <u>Documentary sources</u>: EU-Georgia related policy documents, strategy/programming documents (incl. MIPs, NIPs, SSFs, CSPs and CEPs), intervention-level documentation (including descriptions of action, monitoring reports, ROM reports, internal and external project/programme evaluations), EC strategic evaluations, open source reports and assessments. • <u>Interviews</u>: Relevant officials in Brussels (DGs NEARCLIMA, ENV, ENER, MOVE); EUDs (Heads of Delegation, Cooperation and Political section, sector leads, programme managers); EU MS national representatives; Officials in national partner governments; representatives of regional/multilateral organisations at headquarters and in case study countries; Civil society actors (local, national and international). 	

EQ9 – Mobility and people-to-people contacts

To what extent has EU support to Georgia, including Erasmus+ contributed to increasing mobility and people-to-people contacts and to improving education?		
<i>Description/ Rationale</i>	<p><i>Georgia has been a participant in Erasmus+ and other programmes, such as Horizon 2020, designed to promote education exchanges and research contacts. In the area of education, training and youth, Georgia has implemented reforms in order to build a modern education and training system, in line with the European Higher Education Area and the Bologna Process. The VET and internal skills-labour market needs matching aspects of education reform have been dealt with under EQ 7. Under this EQ, we deal with integration more broadly of Georgia into the European education area. JC9.1 deals with education, research, and cultural ties between the EU and Georgia. Under JC9.2, we deal, as well, with progress under the Mobility Partnership (2009), including promotion of mutually beneficial legal labour migration, the fight against irregular migration, smuggling, and trafficking; and the results of the visa-free travel regime between Georgia and the EU which came into force on 28 March 2017.</i></p>	
JC9.1	Closer education, research, and cultural ties between Georgia and the EU and Georgian and other Eastern Partnership countries	
I-9.1.1	Increased Georgian and European participation in Erasmus+ actions (number of individuals, sex-disaggregated, and groups funded, number of projects funded, etc.).	
I-9.1.2	Increased and diversified Georgian and European participation in schemes for research mobility and collaboration in research and innovation (Marie Curie fellowships, Jean Monnet Actions, Creative Europe, Horizon 2020, etc.)	

I-9.1.3	Progress on integration of Georgia into European Higher Education Area, including in terms of accreditation standards.
JC 9.2	Results of visa liberalisation and the Mobility Partnership⁴
I-9.2.1	Increased Georgia-Europe mobility.
I-9.2.2	Well-functioning return and readmission processes, including tourist visa overstays.
I-9.2.3	Effective EU-Georgia cooperation on the fight against human smuggling, trafficking in human beings, and organised crime more broadly.
I-9.2.4	Mutually beneficial labour migration agreements concluded with EU MS under the Mobility Partnership and delivering results.
Main sources and data collection tools	
<ul style="list-style-type: none"> • <u>Means of verification</u>: Document review, Key informant interviews (KIIs), online survey, EU spending inventory. • <u>Documentary sources</u>: EU-Georgia related policy documents, strategy/programming documents (incl. MIPs, NIPs, SSFs, CSPs and CEPs), intervention-level documentation (including descriptions of action, monitoring reports, ROM reports, internal and external project/programme evaluations), EC strategic evaluations, open source reports and assessments. • <u>Interviews</u>: Relevant officials in Brussels (DGs NEAR, EAC, RTD, HOME); EUDs (Heads of Delegation, Cooperation and Political section, sector leads, programme managers); EU MS national representatives; Officials in national partner governments; representatives of regional/multilateral organisations at headquarters and in case study countries; Civil society actors (local, national and international). 	

⁴ For complementarity aspects of visa liberalisation, see JC1.3

Annex V. EU-Georgia partnership

National policies and EU cooperation response

Georgia has undergone a period of intense institutional reform, emerging as one of the most successful of the Eastern Partners although, as mentioned above, concerns have arisen about the quality of governance and shrinking space for civil society. In recent years, the Government of Georgia (GoG) continuously strengthened the national policy framework through medium-term strategies. In this section, without covering all, we review some of the most important axes of reform and EU support.

Overall strategy

The Government's national development strategy *Georgia 2020* (adopted June 2014) takes its orientation from the Association Agreement and DCFTA. It underlines the need to introduce economic reforms to stimulate growth of *Small- and Medium-sized Enterprises* (SMEs), enhance *trade*, and revitalise *agriculture* as a means to address poverty and unemployment. Georgia 2020 is further developed in the Georgian Government's Programme 2016-2020 "Liberty - Rapid Development – Welfare" and is supplemented by a variety of sector strategies and programmes, many of them summarised below. In addition to those here reviewed are the Migration Strategy of Georgia 2016–2020, the Human Rights Strategy, as well as the National Action Plans to Combat Violence against Women and for the implementation of the UN Security Council Resolutions on "Women, Peace and Security." More generally, Georgia is committed to the UN 2030 Agenda for Sustainable Development and its SDGs and the Paris Agreement on Climate Change.

At the centre of the Georgia 2020 policy vision is rapid private sector-driven economic growth tempered by inclusivity and rational use of natural resources. The main priority is private sector competitiveness, and special attention is paid to strengthening the SME sector through improving the business and investment climate, developing competitive human capital, and increasing access to finance. The key preconditions for the effective implementation of Georgia 2020 are macroeconomic stability and effective public governance.

In the following paragraphs, we sketch Georgian national policy in the main areas covered in this evaluation and the principal EU actions in response.

For reference, the priority sectors of EU cooperation support over the evaluation period were, as described in the previous section, public administration reform, agriculture and rural development, and justice sector reform in the SSF 2014-2017; *stronger economy* (economic development and market opportunities, including smart, sustainable and inclusive economic growth), *stronger governance* (strengthening institutions and good governance, including consolidating the Rule of Law and addressing Security), stronger *connectivity* (including energy efficiency, environment and climate change), *stronger society* (mobility and people-to-people contacts, including support to the continuous implementation of the visa liberalisation action plan and to vocational educational, training), and *support to civil society in the SSF 2017-2020*.

Public Administration Reform

The Government of Georgia's *PAR Roadmap (2015-2020)* identifies the priorities, objectives, anticipated results, as well as management and monitoring arrangements, together with a budgeted Action Plan, for each key area of PAR. The major EU support to implementation of the Roadmap and associated Action Plan came through the budget support programme *Support to Public Administration Reform in Georgia* financed under the European Neighbourhood Instrument (ENI), with a total amount of EUR 30 million, of which EUR 20 million was for budget support and EUR10 million for Complementary Support.⁵ This overall objective of this programme was to improve efficiency, accountability, and transparency of public administration in line with the European Principles of Public Administration. The specific objectives were (i) to enhance policy development and coordination in the central public administration and enhance professionalisation of the civil service; (ii) to enhance accountability, integrity and openness in the public sector; and (iii) to improve transparency, accessibility and the quality of services to citizens; and strengthen the structures and processes of local governance and facilitate the reforms of decentralisation of responsibilities. The Complementary Support component focused on increasing capacities of the key stakeholders to manage and monitor the PAR process and ensure the sustainability of reforms. Specific support was provided for measures to improve visibility in

⁵ Sector Reform Contract, CRIS number: ENI/2015/037-832; An indicative amount of EUR 223,000 was envisaged as co-financing by potential grant beneficiaries. (AD PAR).

order to raise Georgian citizens' awareness of the reforms and to highlight their relevance to EU-Georgia dialogue and implementation of the EU-Georgia AA.

Public Financial Management

Public Finance Management (PFM) reform has a long history in Georgia, as does EU support for it. The *Public Financial Management Strategy, 2014-2017* was adopted by the Government at the end of 2013 to address the findings of the Public Expenditure and Financial Accountability (PEFA) assessment carried out in 2012. A new *PFM Reform Strategy, 2018-2021* was published by the Ministry of Finance (MoF) after publication of the 2017 PEFA review. Under the PFM Strategy 2018-2021, the Government aims to achieve sound financial management by improving systems that ensure fiscal discipline, operational efficiency, and effective allocation of public resources. The two main EU interventions supporting PFM over the reference period were: *Support to Public Finance Policy Reforms*⁶ (PFPR, 2014-2017) and *EU 4 Economic Governance and Fiscal Accountability*⁷ (EGFA, 2018-2023). The main objective of the PFPR, responding to the 2012 PEFA, was to improve efficiency, transparency and accountability of public finance policy and management, principally by directly and publicly involving a higher level of political and institutional responsibilities within the country's system of checks and balances. The general objective of the EGFA programme, responding to the 2017 PEFA, was reinforcing economic governance and democratic accountability. PFM was also supported by the EU through the generalised use of the budget support modality in the EU-Georgia cooperation portfolio. ‘

Justice and Rule of Law

Like PAR and PFM, justice sector reform lies at the heart of good governance, and the continuing need for justice sector reform has long been recognised in Georgia. A strategy for comprehensive reform of the judicial system was put in place in 2005 and EU support to justice sector reform began in 2008 with Budget Support to criminal justice reform. The basic national strategic documents over the evaluation period were the Justice Chapter of the Government Programme, *For a Strong, Democratic and United Georgia*, in turn aligned to the *Georgia 2020*, as well as with the *Criminal Justice Reform Strategy* and associated Action Plan. The Programme contained specific references to the need to reinforce the Rule of Law (RoL), to respect human rights, to free the judiciary and the law enforcement agencies from political pressures, to introduce institutional reforms to the Prosecutor's Office and the Ministry of Interior and to pursue a firm but fair approach to the application of justice. There was commitment to further liberalisation of the criminal justice system (e.g., sentencing policies, increased use of non-custodial measures, and deeper focus on rehabilitation). The Government Programme also acknowledged a need to review elements of the Civil and Administrative Codes, to strengthen the independence of the judiciary, and to provide improved legal services to victims and the accused. The main vehicle for EU support over the 2014-2020 period reviewed here was the *Support for Justice Sector Reform* budget support programme, which had, as specific objectives (i) to consolidate independence, professionalism, impartiality and efficiency of the judiciary, access to justice and right to fair trial (ii) to enhance efficiency and fairness of the criminal justice system; and (iii) to improve the private and administrative law system.

Having supported criminal law reform prior to the review period, the SSF 2014-2017 cited a need to reform both legislation and practices of the civil and administrative justice systems and, more generally, the need to ensure the independence of the judiciary and to enhance skills at all levels within the justice system and to improve court and case management procedures.

In the successor SSF 2017-2020, specific objectives related to RoL were to improve access to justice and legal aid for vulnerable people; to establish a zero-tolerance policy against ill-treatment; to strengthen the institutional and human resource capacities in the justice sector, including criminal justice, prosecution, investigation, and penitentiary reforms; to support the implementation of the 3rd wave of judiciary reforms; to improve independence and impartiality of the judiciary and to fight any forms of corruption in the justice system; to assist the Government in further aligning its legal system with European rules and best practices in particular on disputes, registries and legislation related to the business sphere; and to support the implementation of the Human Rights Strategy and Action Plan.

⁶ "Support to Public Finance Policy Reforms," ENPI/2013/024-705, Action Document (hereafter PFPR AD). The total EU allocation was EUR 21 million, of which EUR 19 million was for budget support and EUR 2 million for Complementary Support.

⁷ "EU4 Economic Governance and Fiscal Accountability," CRIS number: ENI/2018/041-405), with a total amount of EUR 18,640,000 of which EUR 15 million was for budget support and EUR 3,640,000 for Complementary Support; see Action Document, Annex 2 of the Commission Implementing Decision on the Annual Action Programme 2018 in favour of Georgia.

Agriculture, rural, and regional / territorial development

While the previous government's strategy of growth and privatisation devoted little attention to agriculture, from 2010-11 onwards, and especially following the election of a new government from 1 October 2012, agriculture was given a higher priority, with a significant increase in budgetary resources allocated to the sector to support implementation of the new sector strategy, the *Strategy for Agricultural Development in Georgia (2012-2022)*.⁸ The 2014 Government of Georgia (GoG) Programme stated that the development of agriculture was one of the country's top priorities.⁹ The signing of the EU-Georgia Association Agreement (AA) in 2014 had direct implications for the agricultural sector, including the gradual approximation to the EU *acquis* to maximise the benefits from the Deep and Comprehensive Free Trade Area (DCFTA).¹⁰ With assistance from the EU, the government (and specifically the Ministry of Agriculture) undertook preparation and implementation of the updated *Strategy for Agricultural Development 2015-2020*.¹¹ Also of relevance are the *Rural Development Strategy 2017-2020*,¹² the Regional Development Programme of Georgia 2015-2017¹³ and, the follow-up *Regional Development Programme of Georgia (2018-21)*¹⁴

Most EU assistance to agriculture and rural development during the period 2014-20 was provided through the European Neighbourhood Programme for Agriculture and Rural Development (ENPARD) budget support programmes, the final one of which will operate until 2025. The overall objective of the ENPARD programme is to reduce rural poverty and improve lives of citizens in rural areas, reinvigorating the agriculture and the rural economy sector through the cooperation of government, civil society, and the rural business community. ENPARD II, III, and IV correspond to the evaluation period, although the fourth phase has only just started.¹⁵ Elements include enhanced competitiveness and sustainability, diversification of the rural economy, food safety and SPS measures, and rural development, all with the objective to improve living conditions for a larger proportion of the rural population in Georgia. All phases have sought to improve the economic and social integration of vulnerable households in disadvantaged rural regions of Georgia, including eco-migrants, conflict affected people (IDPs and their host communities), ethnic minorities, Georgian returnees, and newly arrived migrants.

Economic development and market opportunities (SMEs, DCFTA, VET)

SMEs and DCFTA

Despite the overwhelming importance of SMEs for Georgia's non-agricultural economy (and significant role within agriculture itself), Georgia had not, at the beginning of the evaluation period, developed a comprehensive support strategy and related legal framework for private sector/SME development in line with the long-term national development strategy. Anticipating a medium- to long-term impact of DCFTA on the private sector, the Ministry of Economy and Social Development (MoESD) committed to prepare an SME Strategy and Action Plan to support Georgian businesses, mostly SMEs. *Georgia 2020*, with specific chapters relating to DCFTA and SMEs¹⁶ served as the main strategic document for private sector/SMEs development over the evaluation period. The *SME Development Strategy 2016-2020* aimed at enhancing competitiveness of SMEs in domestic and international markets, Improving SME skills and establishment of modern entrepreneurial culture; and supporting modernisation and technology upgrading of SMEs. The main form of EU assistance to SME development came through

⁸ *Strategy for Agricultural Development in Georgia (2012-2022)*, Ministry of Agriculture, Tbilisi, 2012

⁹ SSF 2014-17, p.7.

¹⁰ *Deep and Comprehensive Free Trade Area (DCFTA) Legal Approximation Plan, 2015-27* (ENP II Action Document)

¹¹ *Strategy for Agricultural Development 2015-2020*, Ministry of Agriculture, Tbilisi, 2015 (See <http://enpard.ge/en/wp-content/uploads/2015/05/strategy.-eng.final.pdf>)

¹² *Rural Development Strategy in Georgia (2017-2020)*, Ministry of Agriculture, Tbilisi, 2017

¹³ *Regional Development Programme of Georgia 2015-2017*, Government of Georgia, Tbilisi, 2013.

¹⁴ The '*Regional Development Programme of Georgia (2018-21)*', Ministry of Regional Development and Infrastructure of Georgia, Tbilisi, 2018 builds on earlier regional planning initiatives: the '*Socio-economic Development Strategy of Georgia ("Georgia 2020")*', the '*State Strategy for Regional Development 2010-2017*' and the '*Regional Development Programme, 2015-2017*'.
<https://mrdi.gov.ge/en/about/ABOUT%20US/Regional%20development>

¹⁵ Taking contract dates into consideration, part of ENPARD I also falls into the evaluation period. The three variable tranches were in 2014, 2015 and 2016. (Only the first fixed tranche was disbursed in 2013.)

¹⁶ The chapters on "improvement of the business and investment climate", "Innovation and technology", "Facilitating the growth of export", "Developing infrastructure to support Georgia's transit potential" and "Development of financial intermediation" are the ones with clear references to DCFTA related obligations and private sector development, although specific reference to SMEs appears only under the chapter devoted to access to finance. See: '*Socio-economic strategy of Georgia, 2020*'

two budget support programmes: *Economic and Business Development in Georgia* (EBD)¹⁷ under implementation 2018-2023 and *Support to EU-Georgia, DCFTA and SMEs*¹⁸ (DCFTA-SMEs), implemented 2015-2018) and the various Government Action Plans for the Implementation of the DCFTA, running from 2014. The EBD programme is designed to contribute to foster smart, sustainable and inclusive growth and resilience in Georgia and its regions and to strengthen institutions and good governance. Its overall objective is to foster socio-economic development in Georgia and its regions. The overall aim of the DCFTA-SMEs programme was to improve business understanding of what DCFTA meant for them, to address SMEs needs, and to enable them to benefit from the positive effects of the DCFTA.¹⁹

VET and Skills Development

In addition to poor infrastructure, an important constraint identified in the *Georgia 2020* national development strategy was in the area of human resources. Needed skills were lacking and the education system failed to develop them in accordance with labour market needs. *Georgia 2020* defined its priorities as the need for better matching of skills with labour market demands and the need for a coherent and better-quality skills development system. Evidence showed limited opportunities for lifelong learning, vocational education and training (VET), and employment support services, especially in the regions. A holistic vision of education linking all levels and types of education, as well as active intermediation and matching between labour supply and labour demand, was absent, aggravated by the lack of well-functioning skills anticipation and matching mechanisms.

The *VET Reform Strategy 2013-2020* aimed at development of labour market-oriented human resources, ensured access to vocational education, and development of high-level qualifications for competitive human capital. The overarching objective was maximising the national and individual potential of the country's human resources through the promotion of the widespread availability of high quality vocational skills to flexibly meet the economy's labour requirements in the immediate-, medium-, and longer terms and the creation of opportunities for individuals from all segments of society to develop their talent and maximise their potential for personal and economic fulfilment. Of importance to implementing the Strategy was the Ministry of Labour, Health, and Social Affairs costed *Strategy for Formation of the Georgian Labour Market* (2015-18). There were, over the evaluation period, two budget support programmes for VET: *Employment and Vocational Education and Training* (EVET)²⁰ and *Skills Development and Matching for Labour Market Needs* (Skills),²¹ the latter of which is ongoing. The EVET programme focused on the nexus between VET and employment. Its overall objective was to stimulate sustainable and inclusive socio-economic development through improved transition from training to employment, with specific objectives to strengthen national capacity to design, coordinate, implement and monitor labour market and skills needs, to enhance the quality and relevance of the VET system. The Skills programme sought to contribute to sustainable and inclusive growth and resilience by developing human capital and skills sets and by strengthening coordination between the education system and the labour market, with specific objectives to improve employability in Tbilisi and selected regions.

Connectivity (energy and energy efficiency, transport, environment and climate change)

Connectivity is not so much a sector as a concept, an umbrella covering several sectors. Among the most important of these are energy and energy efficiency, transport, and environment and climate change. Connectivity and infrastructure issues in Georgia are not only cross-border and regional in scope, but national, as well; in areas such as access to gas systems, waste water treatment, solid waste collection, the need for modernisation and new facilities for the electrical grid, and the sub-standard road and rail networks. However, in view of the cross-cutting nature of the concept, there is no national connectivity strategy. While environment and infrastructure have long featured in EU support to Georgia, the umbrella concept of connectivity as we consider it here first emerged as a focal sector under the SSF 2017-2020.²² Unlike in other areas reviewed above, EU support to connectivity in Georgia has been largely provided by projects (many of them regional) or TA/grants, not budget support. A range of

¹⁷ *Economic and Business Development in Georgia*, ENI/2017/040-318, Action Document.

¹⁸ *Support to EU-Georgia DCFTA and SMEs*, ENI/2014/037-381, Action Document.

¹⁹ In addition, the EU4 Business Facility acts as an umbrella project to monitor and communicate the EU Support to SMEs in the Eastern Partner countries to access finance, improve the business enabling environment, and develop SME skills and capacity and access to markets. (<https://eu4georgia.ge/eu4business-facility>)

²⁰ 'Employment and Vocational Education and Training (EVET)', see Annex II to the Financing Agreement, TAPs, ENPI/2013/025-00 (From the ENPI 2012 and 2013, Special Measure "EaPIC" (Eastern Partnership Integration and Cooperation Programme) – hereafter EVET.

²¹ 'Skills Development and Matching for Labour Market Needs', ENI/2017/040-319, Action Document.

²² <https://eeas.europa.eu/sites/default/files/georgia2017-2020ssffinal.pdf>

actions, especially in transport (specifically roads) have been financed by blending through the Neighbourhood Investment Platform (NIP), a mechanism aimed at mobilising additional funding to finance capital-intensive infrastructure projects in EU partner countries in sectors such as transport, energy, environment and social development.

Energy and energy efficiency

The 2014 National Action Plan for the Implementation of the Association Agreement²³ had, as key objective, the completion of negotiations concerning Georgia's formal accession to the Energy Community. In this and other subsequent Action Plans,²⁴ the GoG planned several activities to support implementation of the AA and Association Agenda commitments. These included further integrating Georgia's energy market with that of the EU, reinforcing Georgia's energy infrastructure network and interconnections (in particular, regional electricity and gas connectivity), and regulatory reform.

In 2015, the *Main Directions of State Policy in the Energy Sector*²⁵ were approved, outlining general energy policy directions.²⁶ Georgia became a Contracting Party to the Energy Community in July 2017.²⁷ In October 2019, a more detailed *Energy Strategy of Georgia 2020-2030* was approved and the Energy Efficiency Law was adopted in 2020.

EU assistance in the sector has taken different forms. In particular, the EU has provided support through ENI bilateral interventions providing TA for the development of policy or legislation. Georgia's accession to the Energy Community Treaty also allowed it to gain support for policy making and legislation through the Energy Community Secretariat (ECS) to meet its Treaty commitments. The EU has also provided support through regional projects such as EU4Energy and through interventions channelled through the NIP. It has also channelled support through the Covenant of Mayors for energy efficiency interventions at municipal level and the Eastern Europe Energy Efficiency And Environment Partnership (E5P). In addition, the EU has used Twinings.²⁸

Transport

The 2014 AA and the aligned National Action Plans²⁹ included a comprehensive set of actions to prepare for implementation of the EU *acquis* in all transport modes, including the EU aviation *acquis*, activities to improve aviation safety; and the development of multimodal transport infrastructure. In July 2018 Georgia signed the High-Level Understanding on the extension of the EU's Trans-European Transport Network (TEN-T) to Eastern partners. The Indicative TEN-T Investment Action Plan, which identifies 18 priority projects for Georgia, has also guided GoG policies in this sector.³⁰

Georgia has implemented most of the commitments referred to the maritime sector in the AA, endorsing at Ministerial level the Common Maritime Agenda for the Black Sea in May 2019.³¹ Georgia also plays an active part in the Steering Group meetings of the Common Maritime Agenda for the Black Sea.²⁷ In 2016, Georgia also approved the National Road Safety Strategy 2016-30, and in 2017, its Action Plan. Along the period under review, approximation of Georgian Aviation Legislation to the Standards of the EU has been made.

EU support in the sector has been provided under different modalities. The approximation of aviation legislation to the standards of the EU, for instance, was supported by an EU Twinning between the Georgian Civil Aviation Agency and the European Organization for the Safety of Air Navigation (EUROCONTROL)³². Other twinning projects have supported, for instance, the railway sector of

²³ <https://mfa.gov.ge/ევროკავშირის-და-ევრო-ატლანტიკური-ინტეგრაცია/NAP-for-the-implementation-of-the-AA-and-AA.aspx?lang=en-US>

²⁴ Implementation of the EU-Georgia Association Agreement European Parliament resolution of 14 November 2018 on the implementation of the EU Association Agreement with Georgia (2017/2282(INI) 2018;

²⁵

<http://energy.gov.ge/projects/pdf/pages/MAIN%20DIRECTIONS%20OF%20THE%20STATE%20POLICY%20IN%20ENERGY%20SECTOR%20OF%201047%20eng.pdf>

²⁶ The document has been criticised for providing neither the rationale for these strategic priorities nor guidance on strategy development; <https://webstore.iea.org/georgia-2020>

²⁷ In November 2019, the Energy Community Secretariat estimated Georgia's overall level of implementation of the energy *acquis* at 25%. <https://www.energy-community.org/implementation/IR2019.html>. By November 2020, the Energy Community Secretariat still estimated Georgia's overall level of implementation of the energy *acquis* at only 36 %. <https://eeas.europa.eu/sites/default/files/2021/associationimplementationreportinggeorgia.pdf>

²⁸ E.g. to support the GNERC, the Energy Regulatory Authority.

²⁹ Implementation of the EU-Georgia Association Agreement European Parliament resolution of 14 November 2018 on the implementation of the EU Association Agreement with Georgia (2017/2282(INI) 2018;

³⁰ The state of play of implementation was discussed at the first EU-Georgia High-Level Transport Dialogue which took place in January 2019 in Tbilisi.

³¹ <https://eeas.europa.eu/sites/default/files/1endocumenttravailserviceconjointpart1v4.pdf>

³² <http://www.economy.ge/index.php?page=projects&s=31.&lang=en>

Georgia. Blending mechanisms and TAs have also been used to support the transport sector, including the TA for Georgia Transport Connectivity aimed at improving road networks.

Georgia has also received support through regional interventions in the transport sector and is party to a number of EU-sponsored regional arrangements. As examples, it is a party to the TRACECA Multilateral Agreement on International Transport for Development of the Europe – Caucasus - Asia Corridor and a partner country within the Black Sea Synergy.

Environment and climate change

The 2014 AA, revised AA agenda and the aligned National Action Plans³³ contain several commitments in the area of environment and climate change, including the full implementation of the already-existing National Environment Action Plan 2012-2016. Georgia has also made commitments under the Energy Community Treaty to reduce CO2 emissions and to reduce air pollution, submitting its first Intended National Defined Commitment (INDC) in 2015 in support of its commitment to the Paris Agreement.³⁴ During the period under review, Georgia has progressed in the legal approximation process and adopted its 3rd *National Environment Action Programme (2017-2021)*³⁵ in May 2018. With regard to climate action, Georgia is yet to adopt measures it committed to under the Paris Agreement.³⁶ Nonetheless, Georgia's institutional set up has been enhanced with the creation of the Climate Change Council and legislation on fluorinated gasses was adopted.³⁷

EU support in environment has taken place mainly in the areas of water supply and sanitation. Bilateral assistance on climate change has been less prominent in volume and has interestingly included interventions promoting social engagement through civil society, such as the Georgia Climate Action Project (GEO-CAP) and the Climate Forum East. At regional level, the EU is also providing considerable support through the four-year regional flagship programme EU4Climate (2018-2022) and the regional EU4Environment Programme (2019-2022) as well as through the Energy Community Secretariat. With this support Georgia submitted a revised NDC in May 2021, including the Climate Change Strategy and Action Plan to 2030.

Mobility and People-to-People contacts (Education, research and innovation, and Visa Liberalisation / Mobility Partnership)

The EU's support under the SSF 2017-2020 to VET with the goal of improving the matching between skills and labour market needs has been discussed above under Economic Development and Market Opportunities. Georgia has also been an active participant in Erasmus+³⁸, the EU programme for education, training youth and sport offering EU-funded opportunities for higher education students, researchers, staff and institutions. Components of Erasmus+ to promote learning mobility include Erasmus Mundus Joint Masters and Doctoral programmes, Erasmus Mundus Partnership scholarships to finance Georgian students to study at European universities, and short-term higher education mobility schemes for Georgian and European students and staff, including international credit mobility (ICM) and traineeships. In 2020, according to the Association Agreement Implementation Report for that year, Georgia benefited from seven Capacity Building for Higher Education (CBHE) projects³⁹, eleven Jean Monnet projects⁴⁰, and 28 Erasmus Mundus Joint Master's Degree scholarships. Tbilisi is host to the Eastern Partnership European School⁴¹. As an associate member of Horizon 2020 since 2016⁴², Georgia has been an active participant in Horizon 2020⁴³ research consortia and benefitted from Marie Skłodowska-Curie fellowship mobility opportunities. It is implementing recommendations of the Horizon

³³ Implementation of the EU-Georgia Association Agreement European Parliament resolution of 14 November 2018 on the implementation of the EU Association Agreement with Georgia (2017/2282(INI) 2018;

³⁴ <https://www4.unfccc.int/sites/ndcstaging/PublishedDocuments/Georgia%20First/INDCofGeorgia.pdf>

³⁵ The strategy covers improvements in environmental governance (particularly the need for environmental impact assessments); water management, ambient air protection, waste management, chemicals management, biodiversity protection, forest management, soil protection, climate change, natural hazards risk management, radiation safety and the green economy and environmental dimension of sustainable development.

³⁶ In particular, the development of the Low Greenhouse Gas Emission Development Strategy (LEDS) and its updated nationally determined contribution (NDC).

³⁷ Brussels, 5.2.2021 SWD(2021) 18 final JOINT STAFF WORKING DOCUMENT Association Implementation Report on Georgia

³⁸ EC (2020): Erasmus+ for higher education in Georgia [Factsheet].

³⁹ <http://erasmusplus.org.ge/files/projects/Updatedlist-CBHE-2015-2020.pdf>

⁴⁰ <https://erasmusplus.org.ge/en/services/jean-monnet>

⁴¹ <http://www.eapeuropeanschool.eu/>

⁴² https://ec.europa.eu/commission/presscorner/detail/en/IP_16_1630

⁴³ <https://webgate.ec.europa.eu/dashboard/sense/app/a976d168-2023-41d8-acec-e77640154726/sheet/0c8af38b-b73c-4da2-ba41-73ea34ab7ac4/state/analysis/select/Country/Georgia>

2020 research and innovation Policy Support Facility (PSF) on reforms necessary to improve and strengthen the country's research and innovation system⁴⁴

The EU-Georgia Visa Liberalisation Dialogue was concluded on 18 December 2015⁴⁵ when the Commission adopted its fourth and last progress report affirming that Georgia had successfully met all benchmarks under the Visa Liberalisation Action Plan. Visa-free travel between Georgia and the EU came into force on 28 March 2017. This means that citizens of Georgia with biometric passports can enter the Schengen area visa-free and can stay for no more than 90 days in any 180-day period. Implementation of Visa Liberalisation benchmarks continues with EU support. Also falling under the priority sector Mobility and People-to-People contacts in the 2017-2020 SSF was support to the EU-Georgia Mobility Partnership⁴⁶, signed in 2009 as the political framework for cooperation on migration and mobility issues between the EU and Georgia, and continuing the implementation of the Visa Liberalisation Action Plan including the fight against organised crime, regulating legal migration, and fighting irregular migration (including human trafficking).

⁴⁴ <https://rio.jrc.ec.europa.eu/policy-support-facility/specific-support-georgia>

⁴⁵ https://ec.europa.eu/home-affairs/what-we-do/policies/international-affairs/eastern-partnership/visa-liberalisation-moldova-ukraine-and-georgia_en

⁴⁶ https://ec.europa.eu/home-affairs/sites/default/files/what-we-do/policies/international-affairs/global-approach-to-migration/specific-tools/docs/mobility_partnership_georgia_en.pdf

Annex VI. Cross cutting issues

While an analysis of cross-cutting issues will need to be integrated into the analysis of all sectors mentioned above, this annex concentrates on Democracy and human rights, Civil Society and Gender Equality and Women's Empowerment (GEWE). As evidenced by the Indicators proposed above, these themes will be dealt with at all points of the evaluation. However, they do not correspond to a "sector" strictly speaking; therefore, they are treated in this Annex rather than Section 3.2.

Democracy and human rights

Democracy

Over the period covered by this evaluation, progress toward more effective and inclusive democratic action and institutions has been erratic, with periods of positive change followed by setbacks. Thus, the 2012-2014 election cycle gave Georgians and international friends of Georgia some hope for positive change, given that in 2012 the country saw its first democratic transition of power, which was repeated in 2013 when the presidency changed hands. The positive changes toward improved adherence to the rule of law and protection of human rights were noted already in the last EU Country Strategy Evaluation for Georgia (covering 2007-2013), which underscored the increased political will for democratic consolidation and good governance.⁴⁷ However, already in the middle of the current 2014-2020 evaluation period, observers started to note dwindling appetite among public authorities to improve the election administration, to ensure non-arbitrary and effective implementation of its elections or other legislation, and to make progress toward judicial independence, impartiality, and accountability. Even after 4 waves of judicial reform, the 4th wave still in progress, "the Public Defender's Office, the Coalition for an Independent and Transparent Judiciary, and the international community [continue] to raise concerns regarding a lack of judicial independence," referring to the group of "influential and non-reformist judges as the 'clan'."⁴⁸

Furthermore, while improvements in the elections-related framework have been made toward a more representative parliament, several changes made over time have caused concern,⁴⁹ as has the habit of introducing amendments just before each election. Thus, while all elections held during the evaluation period were assessed as complying with the main international standards, both international and local observers noted the following shortcomings: (i) vague legislative framework, (ii) extreme polarisation, (iii) problematic voter lists, (iv) lack of capacity in election administration, (v) lack of voter awareness, (vi) difficulties in accessing remedies, (vii) misuse of public resources, etc. The 2020 Parliamentary elections led to an unprecedented political crisis. As the ruling party maintained a parliamentary majority amid allegations of fraud, the opposition decided not to enter into the new Parliament, which led to multiple rounds of EU facilitated or mediated negotiations to avoid a one-party parliament. While triggered by the elections, this political crisis is also about prosecutorial discretion and judicial independence and the people's persisting distrust in the judiciary, which has long been issuing politically motivated rulings on criminal, civil, and administrative matters.⁵⁰

Human rights

In his 2013 report, the then EU Special Adviser on Constitutional and Legal Reform and Human Rights, Thomas Hammarberg, noted that while many positive justice and human rights reforms were completed during 2013, "mistakes have also been made and a number of issues still remain to be addressed more effectively." These included treatment of minorities, lack of respect for the principle of presumed

⁴⁷ https://ec.europa.eu/international-partnerships/strategic-evaluation-eu-cooperation-georgia-2007-2013_en

⁴⁸ See the US State Department's 2020 Country Report on Human Practices: Georgia, at <https://ge.usembassy.gov/2020-country-reports-on-human-rights-practices-georgia/>, accessed on April 1, 2021. Also see the recent statement of CSOs on the "imitation of judicial reforms" in Georgia: <https://osgf.ge/en/the-coalition-reacts-to-the-announced-changes-in-the-rule-of-the-composition-of-the-supreme-court/>.

⁴⁹ Thus, following the adoption of the 2017 Constitutional amendments, which substantially reduced the powers of the president, introducing an indirect Presidential election model starting from 2024. The same year, the Parliament adopted several amendments to the Election Code, but according to OSCE, "the reform process was a missed opportunity to engage broadly with stakeholders, address a number of other prior recommendations, eliminate gaps and inconsistencies or rectify problematic issues identified in previous two-round elections." See the *OSCE/ODIHR Election Final Report (28 Oct – 28 Nov, 2018)* at See the *OSCE/ODIHR Post-Election Interim Report (November 3-25, 2003)* at <http://www.osce.org/odihr/elections/georgia/17822?download=true> (accessed on March 29, 2021).

⁵⁰ See the following links for CSO statements detailing some of the most high-profile cases which are viewed as politically motivated: <https://osgf.ge/en/the-supreme-court-ruling-on-ugulavas-case-is-a-continuation-of-political-persecution-against-opponents/>, <https://osgf.ge/en/the-cartographers-case-a-politically-motivated-investigation/>, <https://osgf.ge/en/statement-on-nika-melias-arrest/>, all accessed on April 1, 2021.

innocence, political polarisation in society, etc.⁵¹ According to Hammarberg, the Government of Georgia was faced with major challenges, including “the development of effective, impartial institutions to meet the needs and concerns of all people in the country.”⁵²

In 2014, the Parliament of Georgia adopted the country’s 2014-2020 National Strategy for the Protection of Human Rights, which has around 20 strategic paths, including improvement of criminal legislation, judicial and prosecutorial reforms for improved protection of the right of fair trial, improved standards of crime prevention, investigations and human rights protection by law enforcement agencies, penitentiary and probation reforms with emphasis measures against torture and ill-treatment and rehabilitation/resocialisation of inmates and former inmates, juvenile justice reform, reforms for better protection of the right to privacy and right to property, as well as freedoms of expression, association, and peaceful assembly, improved protection of minorities and people with disabilities, promotion of gender equality and prevention of GBV, and better compliance of national labour laws with international standards. The National Strategy and its implementation action plans have led to improved human-rights related legislation and policy framework, but according to ?? “in the next period, emphasis needs to be increasingly placed on monitoring the sustained implementation in practice of these laws and policies and assessing their impact on the protection and enjoyment of human rights.”⁵³ The use of social media to promote discriminatory, sexist, and abusive language has been highlighted as an important new challenge by human rights defenders and democratic civil society actors. Coordinated campaigns of slander and disinformation against human rights actors and civic leaders are often carried out through social media and online trolling to threaten, harass, and undermine the reputation of human rights actors, including the Public Defender, have been recently confirmed in Georgia.⁵⁴

Civil society

Readiness to improve cooperation with civil society has been expressed by the Government of Georgia (GoG) many times, including through signing of the EU-Georgia Association Agreement (AA). References to the dialogue with and support for civil society was noted in the 2014-2017 Basic Data and Directions Document, which committed the GoG to supporting youth-led CSOs in all regions of Georgia, as well as to improved strategic cooperation with CSOs in criminal justice and environmental protection fields and to ensuring public funding of CSOs, including on elections-related matters.⁵⁵ In its 2017-2020 BDD, the GoG committed to implementing “effective and fair policy, to ensure further strengthening and engagement of governance system, policy system and civil society.”⁵⁶ The GoG explicitly committed to cooperate with civil society, as it noted the latter’s importance for successful implementation of the AA, consolidation of public opinion regarding EU integration, and mobilisation of available knowledge.⁵⁷

However, many line ministries, public agencies, and local authorities still lack the appreciation of and skills to engage with civil society. According to the 2018 CSO Sustainability Index, central authorities are only “open to partnerships with CSOs on less controversial issues” and local authorities are unable to engage in meaningful policy dialogue “largely because of [their] limited independence from the central government.”⁵⁸ Indeed, CSOs are members of various working groups and councils created by line ministries and other public bodies with a declared aim to consult relevant stakeholders. Yet, CSOs often voice their frustration with this format, as these councils are not always created in the spirit of real cooperation. The challenge of civic engagement is acknowledged by the GoG in multiple strategies and

⁵¹ accessed on April 2, 2021.

⁵² *Ibid.*

⁵³ See the Implementation of the National Strategy for the Protection of Human Rights in Georgia 2014-2020: Progress, Challenges, and Recommendations as to Future Approaches by Maggie Nicholson (2019) p. 4 at file:///C:/Users/Nino%20Khurtsidze/Downloads/UNDP_GE_DG_Human_Rights_Maggie_Nicholson_report_2019_eng.pdf, accessed on April 2, 2021.

⁵⁴ According to the December 20, 2019 statement issued by Facebook, it removed 39 Facebook accounts, 344 Pages, 13 Groups, and 22 Instagram accounts as part of a domestic-focused network originating from Georgia. “The Page admins and account owners typically posted about domestic news and political issues such as elections, government policies, public officials, criticism of the opposition and local activist organizations,” and while the “attempted to conceal their identities and coordination, our investigation linked this activity to Panda, an advertising agency in Georgia, and the Georgian Dream-led government.” For more details see <https://about.fb.com/news/2019/12/removing-coordinated-inauthentic-behavior-from-georgia-vietnam-and-the-us/>, accessed on May 12, 2021.

⁵⁵ 2014-2017 Basic Data and Directions Document, p. 39, 77, 92, and 99.

⁵⁶ 2017-2020 Basic Data and Directions Document, p. 11

⁵⁷ *Ibid.*, p. 38.

⁵⁸ See the 2018 Civil Society Organization Sustainability Index for Central and Eastern Europe and Eurasia, pp. 98-9, at <https://www.fhi360.org/sites/default/files/media/documents/resource-csosi-2018-report-europe-eurasia.pdf>, accessed on March 3, 2021.

documents, including the Public Administration Reform (PAR) Roadmap and the 2014-2020 National Strategy for the Protection of Human Rights, which acknowledge the need to ensure “active participation of citizens in the decision-making processes that are going to affect them most.”⁵⁹ However, independent assessments continue to highlight that “[p]ublic scrutiny of government work and participation in policy making are limited.”⁶⁰

During the first half of the evaluation period, it appeared that Georgian civil society was insulated from the global phenomenon of shrinking space. The initial years after the 2012 elections were marked with several successful examples of state-civil society cooperation, as reflected in the improvements in Georgia’s rankings in the Nations in Transit Report by Freedom House, which consistently upgraded Georgia’s scores during 2013-2017 (from 4.75 to 4.61).⁶¹ However with consolidation of power by the ruling party, the past several years have been very turbulent for the country’s civil society. This turbulence has been duly noted by Georgia’s international partners that closely follow the country’s development trajectory. Thus, according to Freedom House, Georgia’s democracy score in 2018 decreased to 4.68 as a result of multiple attacks on CSOs and human rights defenders by public officials, the illegal arrest and deportation of Azerbaijani journalist Afgan Mukhtarli, concerns over judicial appointments and the functioning of the court system, changes in the law on broadcasting, politically motivated prosecutions, and multiple irregularities observed during the 2018 Presidential elections.⁶² Excessive use of force against the June 2019 peaceful protestors, contentious judicial appointments, and increasingly vocal verbal attacks against local and international pro-democracy actors by the ruling party and government representatives, have earned Georgia further decline in its democracy scores in 2020.⁶³ This trend toward consistently shrinking space for pro-democracy civil society actors has been identified by other international organisations, including CIVICUS, which rates Georgia’s civic space as ‘narrowed.’⁶⁴ An additional issue of concern for both international and local actors has been normalisation of far-right rhetoric targeting minorities, migrants, and other excluded groups and successes of these far-rights leaders in mobilising their supporters.

Despite the attacks and shrinking space, Georgian civil society has shown remarkable resilience. While the Nations in Transit score for civil society remained unchanged at 3.75 for almost a decade since 2009, it was recently been upgraded to 4.25,⁶⁵ not the least because of the vibrancy and diversity of the sector, which is comprised of politically active CSOs, social service providers, and grassroots youth movements (a fairly recent development). Independently and in coalitions, they have contributed to raising public and international awareness about elite corruption and state capture, infringements of human rights and fundamental freedoms, environmental degradation, the situation in Abkhazia and South Ossetia, including on human rights, and borderisation, etc. They have either initiated or participated in every important national or regional debate in Georgia, at times exerting some influence on public authorities. However, their efforts “had limited influence on some of the most critical issues, including the controversial constitutional amendments and judicial appointments.”⁶⁶

Georgian CSOs continue to be almost entirely dependent on international donor funding, unless allied with a political party or supported by a hostile government.⁶⁷ They also lack the capacities to contribute to policy dialogue and to oversee reform efforts in more technical areas (e.g. public finance management). This has been highlighted in the Baseline Measurement Report by OECD/SIGMA and the EU Roadmap for Engaging with Civil Society in Georgia, with the latter noting that CSOs “do not have the capacity to sustain a highly specialized dialogue” and require support to engage in fiscal policy development and to wage dialogue with local and national authorities.⁶⁸ While policy dialogue on social

⁵⁹ See 2014-2020 National Strategy for the Protection of Human Rights, p. 8.

⁶⁰ Baseline Measurement Report: the Principles of Public Administration – Policy Development and Coordination, OECD Sigma Programme, May 2018, p. 6.

⁶¹ For a snapshot of Georgia’s democracy performance over the past decade, please see the Freedom House Georgia rankings in its *2018 Georgia Country Report*, p.1.

⁶² *Ibid.*

⁶³ See the *2020 Nations in Transit Georgia Country Report* at <https://freedomhouse.org/country/georgia/nations-transit/2020>, last accessed on February 28, 2021.

⁶⁴ See the February 10, 2021 updated of the *CIVICUS Live Rating for Georgia* at <https://monitor.civicus.org/country/georgia/#news-post-3710>, last accessed on February 28, 2021.

⁶⁵ Please noted that until 2018, Nations in Transit ratings were based on scale of 1 to 7, with 1 representing the highest level of democratic progress and 7 the lowest. Since 2019, the scoring was reversed, with 7 now representing the highest level of democratic success. This has resulted in some difficulties in comparison across time.

⁶⁶ See *2018 Civil Society Sustainability Index for Europe and Eurasia*, p. 109.

⁶⁷ Illiberal civil society actors started to crop up in Georgia since 2014 and have continued to gain traction, in part because of support from the Georgian Orthodox Church.

⁶⁸ EU Roadmap for Engagement with Civil Society in Georgia 2018-2020, p. 14.

services is more developed and “government does outsource some services to CSOs, it does little to promote CSO service and contributions ... [and with its] persistent criticism of CSOs [it] has significantly damaged the sector’s public image and subsequently CSOs’ ability to expand their markets and reach new clientele.”⁶⁹

Furthermore, Georgian civil society organisations have weak connections with their constituencies and lack the capacity to gather constituency feedback on the problems they face. It is in part due to this reason that while Georgian citizens’ knowledge about the work of civil society has improved over time, it has not led to increasing their trust in the sector. According to CRRC’s Caucasus Barometer survey, citizens’ distrust in CSOs has increased by 10% from 2013 to 2019 (at 25%), while their trust in the sector for the same period is down from 23% to 20%.⁷⁰ The sector has been unable to overcome the entrenched societal stereotypes about CSOs as implementers of a ‘western’ (non-Georgian) agenda. These stereotypes are continuously promoted by public officials, which mostly started before the 2018 Presidential elections. Anti-CSO narrative continues to this day, but now it also involves international non-governmental organisations. Thus, in their recent direct attacks on Georgian and international CSOs, two of the highest ranking officials of the ruling party have “claimed that NGOs were hated by the Georgian society due to their ‘lies over the years,’” while international non-profits are losing their legitimacy for producing “biased polls.”⁷¹

Georgian civil society is largely in agreement with the EU’s reform agenda and serves an important role in promoting the implementation of AA/DCFTA and enhancing EU visibility. The sector’s broader strategic interest is to encourage the EU in consistently pushing the GoG toward timely and material fulfilment of its AA obligations. Over the years, Georgian CSOs have also started to demand more targeted capacity building and technical assistance from the EU and other development cooperation partners, so that they can become viable interlocutors in policy dialogue.

Support for civil society development in Georgia has long been available and the EU has committed to “continue to do so in the future, both financially and politically, through defending and promoting the crucial role [civil society] plays in a democratic society.”⁷² While EU support to civil society is mainstreamed in all EU assistance programs, its main priorities are articulated in the 2014-2017 and 2018-2020 Roadmaps for engaging with civil society in Georgia, which provide clarity of the EU’s country-specific actions.

Gender Equality and Women’s Empowerment (GEWE)

Georgia made significant progress in creating an enabling environment for gender equality in the past decades. The recognition of equal rights for all is included in its constitution, and dedicated legislation has been put in place to promote non-discrimination and women’s rights. Georgian legislation is by and large in line with international standards and the conventions that the country has signed. However, these measures have not translated into overall progress against regionally and globally comparable gender equality outcomes. Although Georgia achieved near gender parity in educational attainment, the country needs further improvements on key global indicators of economic status and political voice. While a large number of high-profile women occupy ministerial posts, women are still poorly represented in Parliament, local posts, and political parties, though some progress has been made in this regard, following the July 2020 changes in the Electoral Code, which incentivise parties with more gender-balanced party lists with additional state funding. It should result in increased female representation in the parliament. There is already one party (Girchi) that decided to use this incentive. Georgia ranked 119th of 149 countries for women’s political empowerment in the 2018 World Economic Forum GGI, roughly halfway through the evaluation period. Georgia has also a skewed female-to-male sex ratio at birth and is one of the lowest performing countries overall on the Health and Survival sub-index (123rd in 2018).

The gender equality gaps in Georgia highlighted in global and regional indexes reflect a situation where women’s roles, opportunities, and rights are often constrained by conservative sociocultural norms and gender stereotypes. All experts interviewed stressed that Tbilisi and other major urban centres are vastly different from rural and remote areas, where patriarchal values are entrenched among both men and women and are particularly strong among conflict-affected people and ethnic minorities. Conservative gender roles are widely accepted in Georgia. There is public support for increasing women’s role in decision-making, yet their political representation remains low, as described above. The participation of women in the formal labour market is lower than that of men. Occupations are strongly segregated by

⁶⁹ See the 2018 CSO Sustainability Index, p. 100.

⁷⁰ Please see at <https://caucasusbarometer.org/en/cb-ge/TRUNGOS/>, last accessed on February 27, 2021.

⁷¹ See the 2020 Nations in Transit Report.

⁷² EU Roadmap for Engagement with Civil Society in Georgia 2018-2020, p. 3

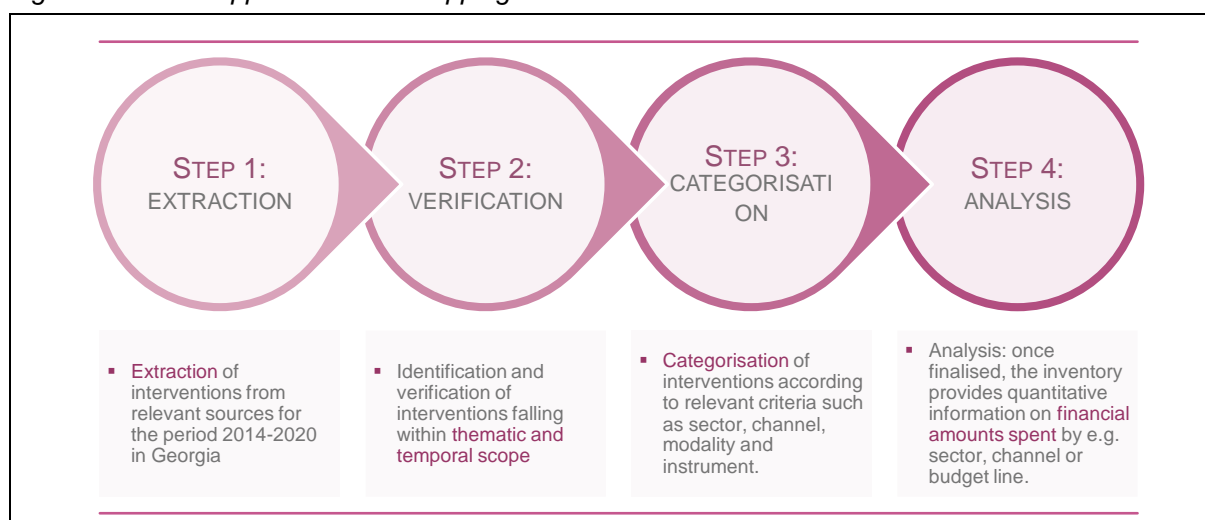
sex, with a much higher share of men in stereotypically male professions. There is a significant gender wage gap between men and women, with women earning 64% of what men earned on average in 2017. Georgia served as a case study in the 2020 thematic evaluation of the EU's global support in GEWE. Important findings were that (i) that the Association Agreement gave the EU unique leverage on gender issues and (ii) since 2015, and coinciding with GAP II, EU engagement with gender in Georgia has increased. Actual trends, e.g. in Violence Against Women and Girls, women's political voice outside a small, urban elite, and economic empowerment remained limited, despite genuine political will, largely because of the persistence of traditional attitudes at grass-roots levels. Gender monitoring continues to be constrained, despite EU support to relevant statistical agencies, by the lack of sex-disaggregated and gender-sensitive data.

Annex VII. Mapping EU support in Georgia

Background to the mapping

The *mapping* of EU support in Georgia is crucial to obtain a quantitative and thematic understanding which informs the development of the “*realised*” intervention logic and the analytical framework of the evaluation. The mapping also helps to structure the data collection process and provides elements to structure the evaluation questions as well as the selection of a sample of interventions which reflects the diversity of the EU portfolio. In particular, the quantitative aspect helps in understanding the financial priority attached to specific areas of EU support in the country, as well as to analyse the EU’s engagement over time and across different modalities. The first step of the mapping has been the establishment of an *inventory*⁷³ of bilateral and regional interventions in Georgia covering the period 2014-2020. The interventions were categorised according to their thematic focus, financing and implementation features, and then analysed at the aggregated level.

Figure 2 Approach to the mapping



Source: Particip GmbH.

Mapping and analysis of bilateral and regional spending actions

During inception stage, the evaluation team has identified that between 2014 and 2020⁷⁴ a total of *EUR 938.4 million* was contracted via bilateral support. Unless otherwise specified, financial figures of EU support mentioned in this section correspond to contracted amounts. For a breakdown of committed amounts for the period under review, please see **Error! Reference source not found.**

In addition to these bilateral interventions, Georgia has also benefitted from support through a number of regional or multi-country interventions.⁷⁵ Interventions within the scope of this evaluation are listed in Annex 4.

Spending by instrument and over time

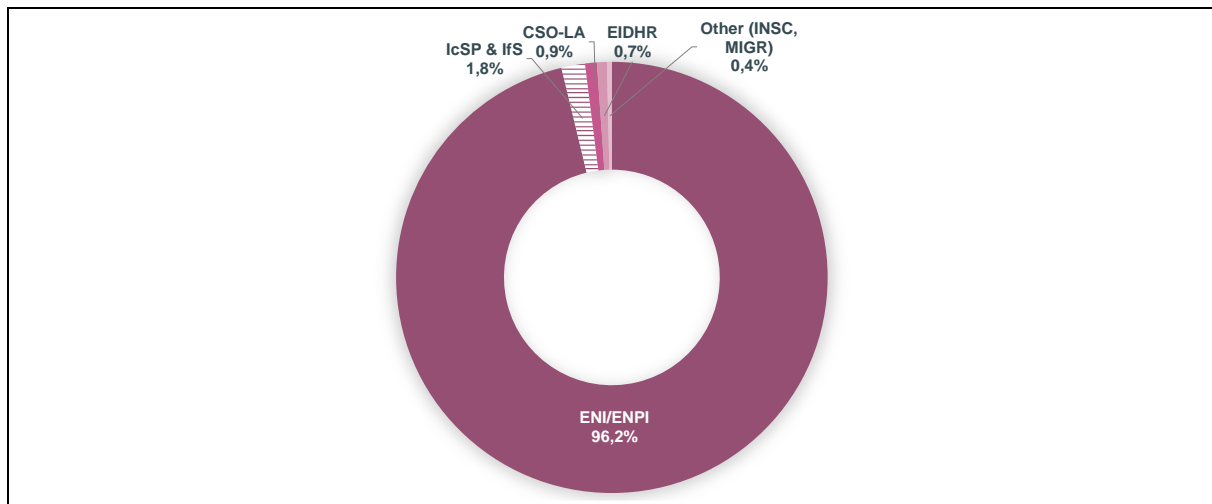
Figure 3 presents the distribution of the bilateral portfolio by *financing instrument*. The ENI/ENPI is by far the main source of funding (95.5%), while EU thematic instruments/programmes such as CSO-LA (financed under the DCI), EIDHR, and IcSP (and its predecessor IfS) contribute only to a small extent in terms of financial volume. This is not, however, to understate their significance, in terms of complementing support from larger programmes.

⁷³ “Inventory” should be understood as a list/database of EU interventions with data on budget, modality of implementation, implementation period, thematic focus, etc.

⁷⁴ Unless otherwise specified, the evaluation period from 2014 to 2020 refers to all the statistical data presented. For some interventions implemented during this period, funding agreements were signed before 2014. In all cases, statistical analyses take into account only the amounts contracted after 2014.

⁷⁵ The total volume of these regional/multi-country interventions amounts to more than EUR 1 billion. However, it is not possible to identify the exact shares that Georgia would benefit directly from. Therefore, these regional/multi-country interventions are treated separately and are not taken into account in the following financial statistics.

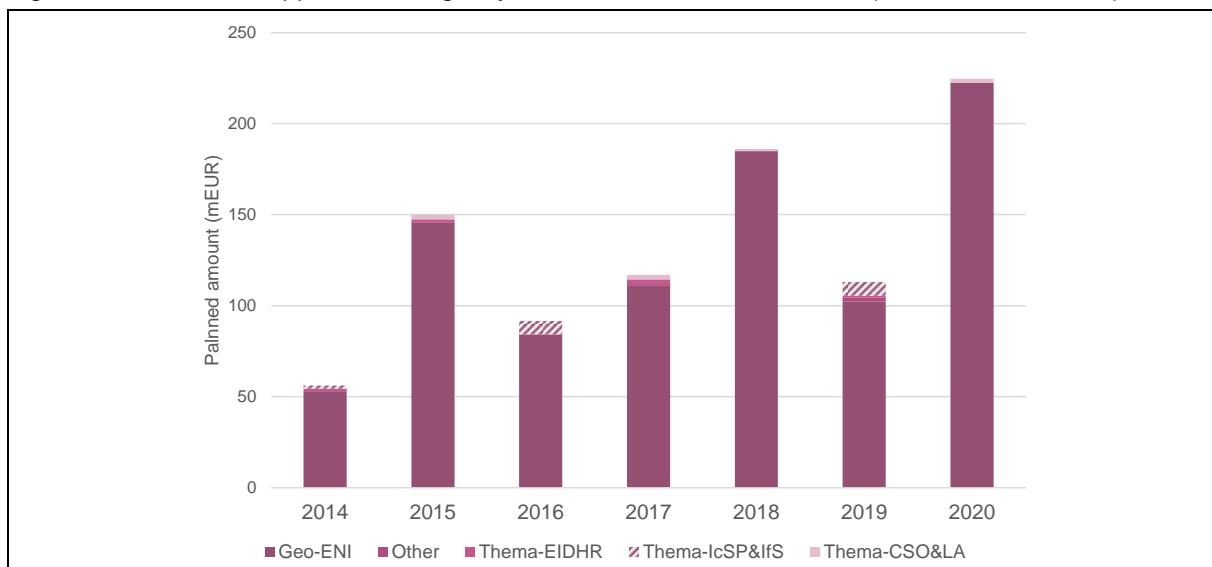
Figure 3 EU support to Georgia by financing instrument (contracted amounts)



Source: Particip GmbH based on data retrieved from CRIS.

Overall, contracted amounts showed an increase during the observed period, with peaks in 2015 (EUR 150 million), 2018 (EUR 186 million) and 2020 (EUR 224.7 million). As shown in Figure 4, support through thematic instruments showed an overall constant trend, with the IcSP and IfS instrument peaking in 2016 and 2019.

Figure 4 EU support to Georgia by instrument review 2014-2020 (contracted amounts)



Source: Particip GmbH based on data retrieved from CRIS

Spending by modalities and channels

When looking into the main *modalities* through which bilateral EU support was granted in Georgia (see Figure 5), we see a predominance of budget support (BS)⁷⁶ (60%), followed by projects following EC procedures⁷⁷ (22%), blending (15%) and twinning⁷⁸ (3%). As can be seen in the figure below, if we look at the composition of the “budget support package” (that is, the budget support transfer and the complementary measure combined), three quarters (EUR 407.5 million) of the total consist of the budget

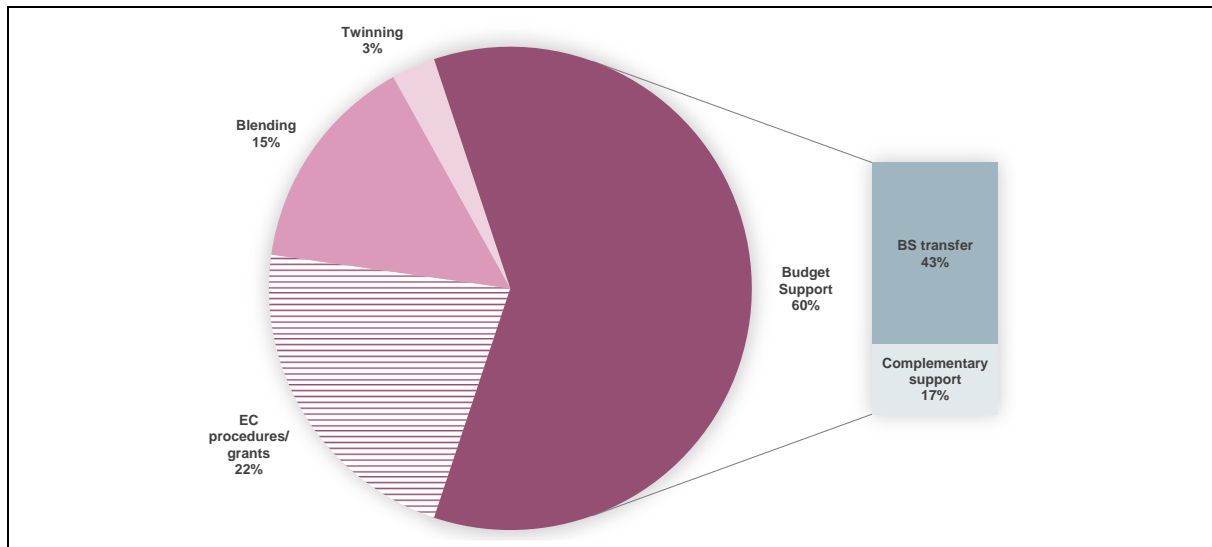
⁷⁶ As is conventional, Budget Support can be split into conditionality-based financial transfers strictly speaking and Complementary Support in the form of Technical Assistance, Twinning, and accompanying grants (e.g., to civil society organisations). For the purpose of this analysis the category “Budget Support” includes conditionality-based financial transfers to the GoG as well as Complementary Support measures (including TA, twinning and grants).

⁷⁷ In the figure below, this category does not include projects support provided as part of the budget support programmes (i.e. embedded support in a budget support package). This is reflected in the “complementary support” portion of the graph.

⁷⁸ The figure below depicts twinning not directly associated with budget support (i.e. not embedded in a budget support package). This is reflected in the ‘complementary support’ portion of the graph.

support programmes, while the remainder (EUR 157.7 million) corresponds to the complementary support. Complementary support has been channelled mostly through IOs (EUR 46.6 million) via financing agreements or grants, private companies providing technical support services (EUR 31.9 million) and EU MS (EUR 23.9 million), via the twinning modality.⁷⁹

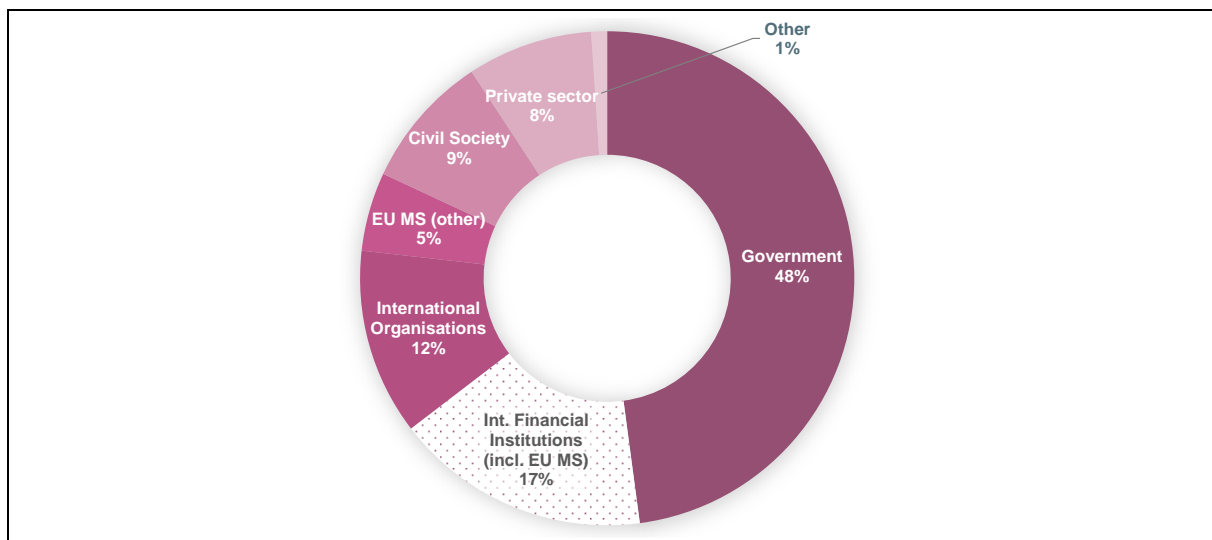
Figure 5 EU support to Georgia by modality⁸⁰



Source: Particip GmbH based on data retrieved from CRIS

As seen in Figure 6, almost half (EUR 449.4 million) of the EU support to Georgia is channelled through the Government (mostly using the budget support modality, but also blending operations and other projects following EC procedures, such as grants). This is followed by support through International Financial Institutions (IFIs)⁸¹ (EUR 156.7 million), mainly KfW, EBRD, EIB, IBRD and AFD, followed by support through IOs (EUR 114 million), mainly UNDP, IOM, and FAO. Other channels used for EU support in Georgia include EU MS (such as GIZ, ADA), CSOs, including both international (e.g. Konrad-Adenauer Stiftung, International Alert, Fundacion Acción contra el Hambre, and Mercy Corps), and regional and local CSOs (e.g., Caucasus Environmental NGO Network Association, Foundation of Centre for Strategic Research and Development of Georgia, Association Rural Development for Future Georgia) and the private sector (including mostly consulting firms).

Figure 6 EU support to Georgia by channel



⁷⁹ As mentioned in the footnote above, this refers to the twinning interventions that are embedded in an budget support package and are contemplated in the complementary support portion in Figure 5

⁸⁰ The category identified as “EC standard procedures/ grants” refers to projects implemented following standard EC procedures through different types of contracts (mainly action grants, services and financing agreements).

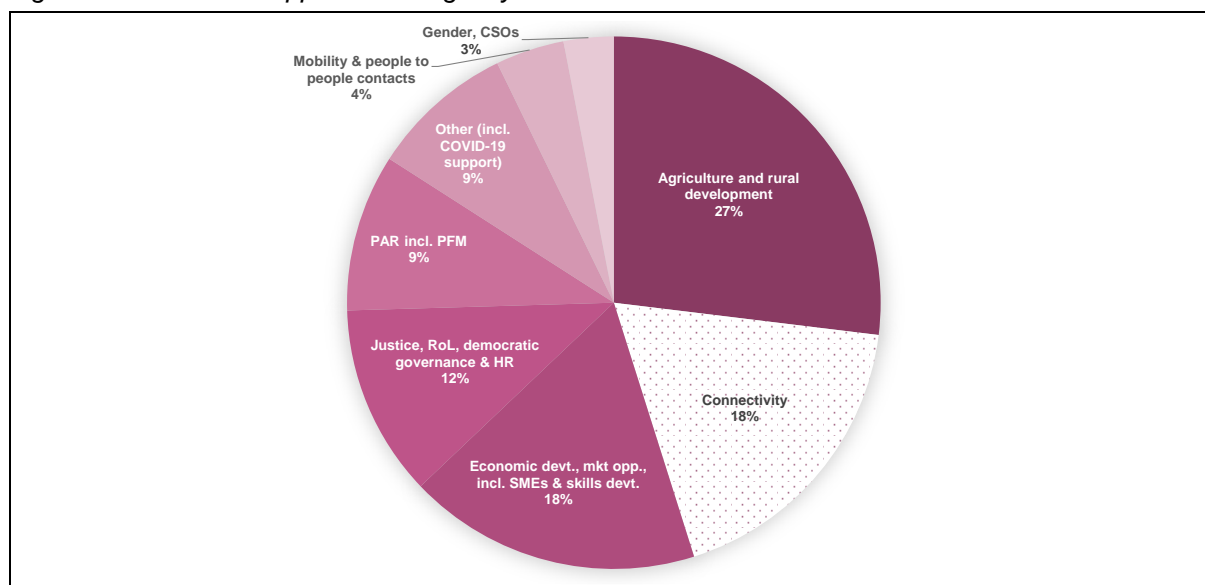
⁸¹ IFIs include both international institutions (such as IBRD), European institutions (such as EBRD and EIB) and institutions linked to EU MS (such as KfW and AFD). Other development and governmental EU MS institutions have been grouped under the “EU MS (other)” category.

Source: Particip GmbH based on data retrieved from CRIS

Spending by sector

In terms of *sectors* (see Figure 7), 27% of the overall volume is allocated to the broadly defined agriculture and rural and territorial development sector. Connectivity (18%) is the second largest sector in financial volume, also including a broad variety of sub-sectors such as energy, transport, environment, and climate change. Justice, Rule of Law, democratic governance and human rights accounts for 12% of the total financial volume. While civil society and gender-targeted interventions represent the smallest sector (3%), it includes by far the largest number of interventions.

Figure 7 EU support to Georgia by sector



Source: Particip GmbH based on data retrieved from CRIS.

When looking at EU support *by sector over time* there is a predominance of different sectors at specific points. Support to Justice (including Rule of Law and democratic governance), for instance, was higher during the period 2014-2016, which corresponds to the timing of the SSF 2014-2017. Support to connectivity, on the other hand, was higher between 2017-2020 (peaking in 2019), which corresponds to the SSF 2017-2020.

Table 18 EU support to Georgia by sector over time (EUR contracted amounts)

Sector	2014	2015	2016	2017	2018	2019	2020
Agriculture and rural dev.	4,398,556	31,941,293	27,017,945	63,541,381	51,904,940	72,101	73,900,559
Connectivity	9,901,279	13,025,622	6,318,187	18,189,365	39,486,700	47,731,019	36,143,815
Economic devt., Mkt opp., incl. SMEs and skills devt.	23,245,125	37,165,747	3,404,997	4,779,753	77,661,228	9,472,546	12,299,965
Justice, RoL, dem gov & HR	11,804,551	36,751,328	22,793,792	7,567,360	5,121,079	17,033,457	8,194,642
PAR and PFM	3,923,314	24,408,965	16,716,874	3,909,485	8,896,161	28,254,792	3,534,420
Other	987,328	524,104	190,829		2,951,890	2,135,070	75,000,000
Mobility & people to people contacts	193,068	1,476,293	5,565,563	15,335,006		8,099,592	7,042,308
Gender, CSOs	1,621,279	4,776,959	9,664,554	3,592,142		200,000	8,568,960
Total	56,074,500	150,070,312	91,672,741	116,914,492	186,021,996	112,998,576	224,684,670

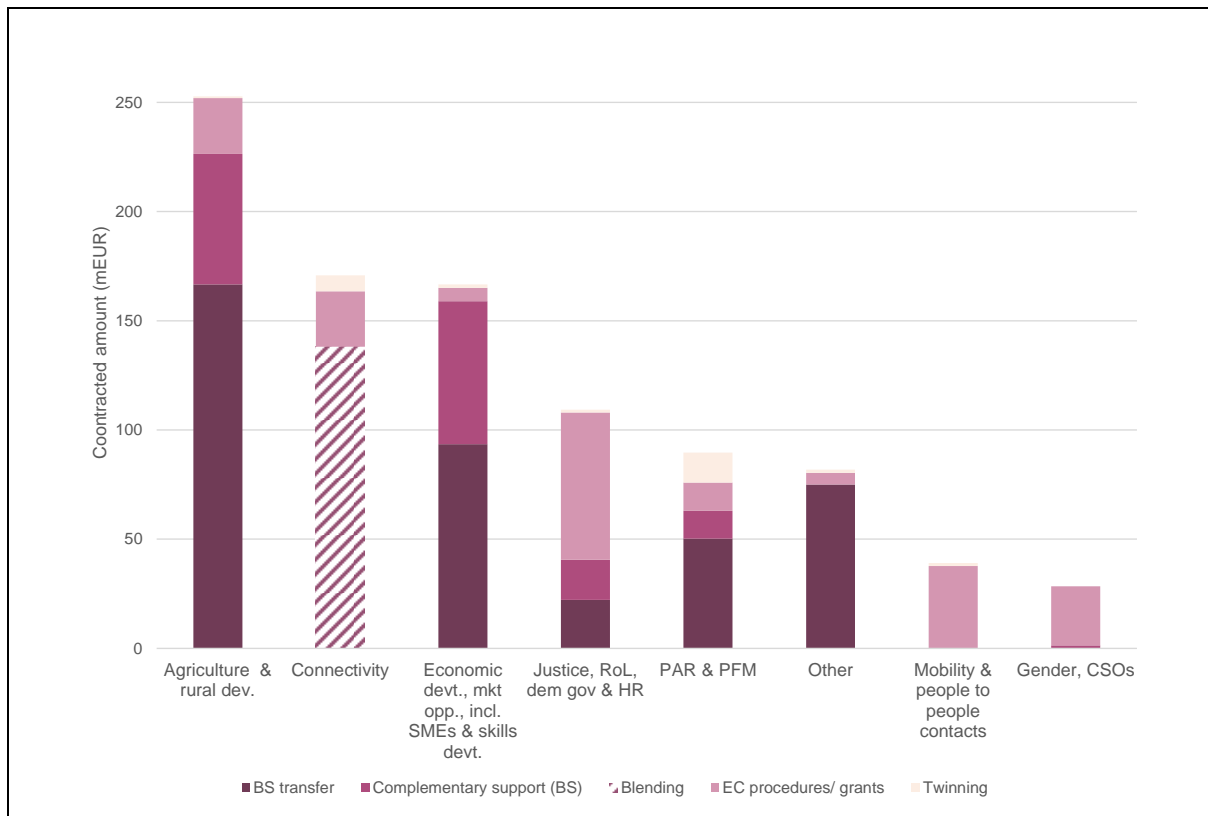
Source: Particip GmbH based on data retrieved from CRIS.

As can be seen in Figure 8, in the majority of the core sectors, except for connectivity, the budget support package considered as whole (including the budget support transfer and complementary support) appears as the main modality. This is also the case for the “Other” category, whose high volume is

mainly explained by the large amount of funds destined to respond to the COVID-19 pandemic in 2020, as can be seen in Table 18. If we analyse budget support elements separately, Figure 8 shows that, though budget support transfers as such have been prevalent across the different sectors, complementary support has been sufficiently substantial to reach high levels. In the case of the “market opportunities” sector, for example, complementary support reached similar amounts to those of the BS transfer.

In the case of the justice sector, though budget support was used at the beginning of the period under review, it was surpassed in terms of volume by projects implemented using EC procedures, such as grants and financing agreements. This category was also relevant among sectors such as justice, mobility and “gender & CSOs,” while twinning was more prominent in PAR-related interventions.

Figure 8 EU support to Georgia by sector, by modality



Source: Particip GmbH based on data retrieved from CRIS.

Beyond bilateral interventions, EU support to Georgia is complemented by regional or multi-country support that is financed from regional funds, as mentioned in the opening paragraph of this section. Regional or multi-country interventions mainly target sectors with a strong regional or cross-border dimension, including market opportunities and trade, connectivity (environment, transport, and energy) and justice, rule of law and democratic governance. A list of regional interventions relevant to Georgia can be found in Annex 4.

Overview of EU non-spending actions

Policy dialogue between the EU and Government of Georgia has been constant over the period reviewed. It is multi-level and multi-dimensional. “Multi-level” refers mostly to bilateral and regional, but also to the level of the participants in dialogue. The dimensions of policy dialogue can be characterized as political, strategic, and operational (or technical); in addition to which, there is the sectoral dimension.

As specified in the EU-Georgia Association agreement, high-level bilateral (e.g., EU-Georgia) dialogue takes place principally at the annual meeting of the EU-Georgia Association Council in Brussels, which is led by the Prime Minister level on the Georgia side. The Association Council is complemented and its discussions informed by the Association Committee and the the Association Committee in Trade Configuration , and also meets annually. A number of sub-committees have also been created under the AA. *Regional (i.e. within the framework of the Eastern Partnership) dialogue* takes place in the context of the Eastern Partnership Summit (Ministerial level), Senior Officials Meetings, and Platform and Panel Discussions under each of the EaP’s four platforms: (i) Strengthening institutions and good governance, (ii) Economic development and market opportunities, (iii) Connectivity, energy efficiency, and environment and climate change, and (iv) Mobility and people-to-people contracts. While a

representative of the Eastern Partnership Civil Society Forum makes a presentation at EaP Ministerial and Senior Official meetings, the main opportunities for civil society organisations to make their views known are at Platform and Panel level and, moving to more technical issues, in Expert Working Groups.⁸²

On conflict and security issues: the *EU–Georgia Strategic Security Dialogue* covers issues of common interest in the field of foreign and security policy, including CSDP. It is an informal dialogue.

The *EU-Georgia Human Rights Dialogue* offers a platform for discussion regarding human rights policies, their implementation and related challenges. It also serves to enhance cooperation on human rights in multilateral fora such as the OSCE, Council of Europe, and the United Nations. As national civil society is actively engaged in the preparation of the Human Rights Dialogue and is briefed before and debriefed after, this dialogue creates an important space for national civil society, and also provides international civil society with an opportunity to encourage the EU to bring its concerns to the table.

Moving to strategic and operational / technical levels, most EU policy dialogue over the evaluation period was in the context of programming (SSFs and Annual Action Plans), in the context of budget support, and in the context of Steering Committees for TA (whether related to budget support or not). Budget support is often considered the best available cooperation modality to pursue sector dialogue. It opens up multiple points of contact, from technical discussions with responsible ministries in the main sectors of cooperation to more general issues of PFM with the MoF and PAR with the Government. Since budget support by definition supports national policy, some policy dialogue is aimed to shape that policy. At this strategic level, policy dialogue is often on a multi-donor basis, through donor coordination groups at governmental or ministerial levels. Once an EU budget support programme has been put in place, EU-Government policy dialogue, more at an operational and technical level, seeks to deal with Specific Conditions and Key Performance Indicators; how to help the partner adhere to them and, if accumulated experience so indicates, how they can be modified to keep the sector reform on track. Such policy dialogue may occur through near-daily exchanges between EUD sector programme managers and Government, or between the EUD, experts, and Government staff in the context of technical assistance complementary to budget support.

⁸² <https://eap-csf.eu/our-structure/>

Annex VIII. List of persons consulted

Organisation	Position
(EU) DG GROW - GROW.A.4	International Relations Officer
(EU) DG NEAR (NEAR.A.4)	Team Leader - MFF, Programming & Evaluation
(EU) DG NEAR (NEAR.C.1)	Deputy Head of Unit
(EU) DG NEAR (NEAR.C.1)	International Aid / Cooperation Officer
(EU) DG NEAR (NEAR.C.1)	[former] Cooperation desk officer
(EU) DG NEAR (NEAR.C.1)	[new] Cooperation Assistant
(EU) DG NEAR (NEAR.C.1)	[former] International Aid / Cooperation Assistant
(EU) DG NEAR (NEAR.C.2)	Cooperation officer
(EU) DG NEAR (NEAR.C.2)	Head of sector / Team Leader
(EU) DG RTD (RTD.DDG2.04)	Horizon Europe Association
(EU) DG TRADE (TRADE.E.1)	Policy Coordinator - Georgia, Regional aspects of the Eastern Partnership
(EU) EEAS (EURCA.5)	Desk Officer - Georgia
(EU) EEAS (EURCA.5)	Desk Officer - Georgia
(EU) EEAS (GLOBAL.GI.1)	Policy Officer - European Neighbourhood Policy
(EU) EEAS (GLOBAL.GI.2)	Policy Officer - European Neighbourhood Policy
EU Delegation to Georgia	Officer - Energy, Blending/NIP Coordination
EU Delegation to Georgia	Officer - Private Sector Development - DCFTA approximation, Trade Facilitation, Financial Infrastructure
EU Delegation to Georgia	Head of Cooperation
EU Delegation to Georgia	[new] Trade Officer
EU Delegation to Georgia	Officer - Home affairs and Security Sector Reform. Twinning, Taix, TCF coordination, Global Allocation
EU Delegation to Georgia	Officer - Judicial reforms; criminal justice and police
EU Delegation to Georgia	Team Leader - Connectivity, energy efficiency, environment and climate change
EU Delegation to Georgia	Team Leader - Public Administration reform, Anti-corruption, SIGMA, Association Agreement support
EU Delegation to Georgia	Officer - Agriculture (incl. fisheries), Food Safety
EU Delegation to Georgia	Deputy Head of Cooperation
EU Delegation to Georgia	[former] Team Leader - Strengthening institutions and good governance
EU Delegation to Georgia	Officer - Strengthening institutions and good governance
EU Delegation to Georgia	Officer - Skills (Labour Market), Migration and IBM. Gender Focal Point
EU Delegation to Georgia	Officer - Public Finance Management and economic governance. Local governance (including regional development)
EU Delegation to Georgia	Officer - Economic Development and Market Opportunities
EU Delegation to Georgia	Officer - Education, Skills (VET), Research & Innovation, Democracy (Parliament, elections, media), Health
EU Delegation to Georgia	Officer - Trade issues
EU Delegation to Georgia	Political section
EU Delegation to Georgia	[new] Team Leader - Security (including oversight and efficiency). Human Rights Focal Point, Abkhazia, South Ossetia
EU Delegation to Georgia	Team Leader - Private Sector Development - SME, business integration. Budget Support coordinator
EU Delegation to Georgia	[new] Officer - Civil Society Organizations, EIDHR, social rehabilitation and resocialisation for inmates
EU Delegation to Georgia	Officer - Statistics, Digital, Culture, Youth, Social, EaP European School. Monitoring and Evaluation
EU Delegation to Georgia	[former] Officer - Civil Society Organizations, EIDHR, social rehabilitation and resocialisation for inmates
Administration of Government of Georgia	Head of PAR Unit
Administration of Government of Georgia	PM Advisor on Human Rights
Agence Française de Développement (AFD)	Georgia Team Representative

Organisation	Position
Arbeiter-Samariter-Bund (ASB) Georgia	Project Coordinator
Austrian Development Agency (ADA)	Team Leader GRETA
Austrian Development Agency (ADA)	Head of Office
CARE International	Country Director (Georgia)
Caucasus Environmental Non-Governmental Network (CENN)	Project Manager
Center for Training and Consultancy	Project Manager
Civil Service Bureau of Georgia	Deputy Head of CSB
Civil Service Bureau of Georgia	Head of CSB
Embassy of the Federal Republic of Germany	Head of Development Cooperation South Caucasus
Embassy of the Federal Republic of Germany	Head of economic affairs and press
Erasmus Georgia Office	Head of National E+ Office (NEO); Erasmus Georgia
European Bank for Reconstruction and Development (EBRD)	Regional Director
European Bank for Reconstruction and Development (EBRD)	Principal Banker
European Bank for Reconstruction and Development (EBRD)	Principal Manager
European Bank for Reconstruction and Development (EBRD)	Associate Banker
European Bank for Reconstruction and Development (EBRD)	Georgia Team Representative
European Investment Bank (EIB) Georgia	Senior Loan Officer
European Investment Bank (EIB) Georgia	Head of Regional Representation
European Investment Bank (EIB) Georgia	Operations Director
European Investment Bank (EIB) Georgia	Head of Blending Unit - International Relations and Enlargement
European School / Ministry of Education and Science of Georgia	Head Of Strategic Planning and International Relations Department
Food and Agriculture Organization (FAO)	ENPARD Project Manager
Georgian Young Lawyers' Association	Environment and HR
Georgian Young Lawyers' Association	Judicial Reforms
Georgian Young Lawyers' Association	PAR, transparency, accountability
GIZ	Team Leader of Cluster4 Development & DCFTA and SME project
GOPA Consultants	Team Leader
High School of Justice of Georgia	Resident Twinning Advisor
KfW	Principal Project Manager
KfW	Director Sector Coordination South Caucasus Energy Transport
Konrad Adenauer Foundation	Team Leader of the EU-funded Project Civil Society Sustainability Initiative in Georgia
Ministry of Economy and Sustainable Development	Deputy Head of Enterprise Georgia
Ministry of Economy and Sustainable Development of Georgia	Deputy Minister of Economy and Sustainable Development
Ministry of Foreign Affairs of Georgia	Head of the EU Assistance Coordination and Sectorial Integration Department
Ministry of Justice of Georgia	Acting Head of the Public International Law Department
Ministry of Justice of Georgia	SDA, state commission on migration issues
Ministry of Justice of Georgia	Specialist
Ministry of Justice of Georgia	Deputy Head
Ministry of Justice of Georgia	Acting head of the Strategic Reforms and Projects Department of SDA
Ministry of Justice of Georgia	Representative from Strategic Reforms and Projects Department of SDA
Ministry of Justice of Georgia	Head of the Legal Drafting Department
NIRAS	Technical Director for Gender and Human Rights

Organisation	Position
Parliament Of Georgia	MP, Agrarian Committee Rep and Gender Focal point
People In Need (PIN)	Country Director
Public Defender (Ombudsman) of Georgia	Deputy PDO
Public Service Development Agency of Georgia	Head
SIDA Georgia	Head of Cooperation
Solid Waste Management Company	Deputy Director
State Inspectors Office of Georgia	Head of the Department of International Relations, Analytics and Strategic Development
State Procurement Agency of Georgia	Deputy Head of the Agency
Transparency International Georgia	Executive Director
UN Women Georgia	Head of UN Women
United Nations Development Programme (UNDP)	Former Access to Justice Focal Point
United Nations Development Programme (UNDP)	ENPARD Project Manager
United Nations International Children's Emergency Fund (UNICEF)	Deputy Representative Georgia
WECF Georgia	Head of Branch Office
Women's Fund	Executive Director
Women's Fund	Project Assistant

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