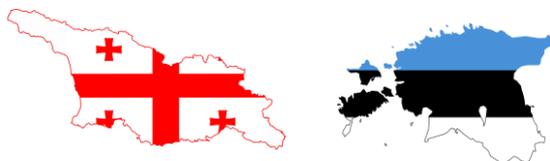


Estonian Development Cooperation Country Strategy Paper Georgia 2016-2018



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ESTONIA'S DEVELOPMENT COOPERATION WITH GEORGIA – OVERVIEW

Georgia has been a priority partner country for Estonia's bilateral development cooperation since 2006 and according to the *Strategy for Estonian Development Cooperation and Humanitarian Aid 2016-2020* Georgia will remain the priority country of Estonia's bilateral aid. The first Georgian Country Strategy Paper was developed for 2012-2015 and focused on the areas of strengthening democratic state structures, vocational education, strengthening civil society and supporting entrepreneurship. These will remain priority areas in financing new bilateral cooperation projects.

Estonian-Georgian development cooperation priority areas for the period 2016-2018 build on Georgian development priorities based on the Social-Economic Development Strategy for Georgia *Georgia 2020*¹ and the Association Agreement and Association Agenda between the EU and Georgia. The implementation of commitments arising from the Association Agreement is set as a domestic policy priority in the 2015 Government Programme of Georgia.²

- **Strengthening democratic state structures and systems**
 - Activities contributing to the implementation of the EU Association Agreement and the Reform Programme and the strengthening of administrative capability and transparency of state institutions by the utilisation of e-governance and information and communication technologies (ICT) in public administration,
 - Involving civil society in governance and formation of reform processes, improving participatory democracy and capability of participating in good governance; improving outreach regarding the EU.

- **Improving the quality of education**
 - Updating the vocational education system according to the needs of the labour market, improving the quality of education provision and popularisation of vocational education,
 - Granting Estonian vocational education scholarships to students, teachers, researchers, etc., including collaboration of educational establishments,
 - Improving the quality of education in general education schools.

- **Supporting entrepreneurial development**
 - Supporting the development of small enterprises, including supporting the building of start-ups,
 - Supporting youth and small enterprises in rural areas, in particular, by consulting on how to improve product quality to comply with the EU Free Trade Agreement standards.

¹ <http://www.mrdi.gov.ge/en/news/page/529c98440cf276b73b39d7f1>

² http://gov.ge/index.php?lang_id=ENG&sec_id=41&info_id=50258

The horizontal themes addressed by Estonia's development cooperation in Georgia are: human rights, gender equality, environmental sustainability, ICT, and internally displaced persons. The horizontal themes may also be regarded as separate cooperation goals.

The indicative volume of Estonia's development cooperation with Georgia for the period 2016-2018 is € 2.85 million.

A development cooperation contact person will work at the Estonian Embassy in Georgia, ensuring the best purposeful implementation of the Estonian development cooperation policy priorities.

INTRODUCTION TO ESTONIA'S DEVELOPMENT COOPERATION

OVERALL DEVELOPMENT COOPERATION GOALS OF ESTONIA

Estonian development cooperation is initially shaped by global development agreements and goals such as the *UN Sustainable Development Goals*, and is based on well recognised principles of aid effectiveness. The effectiveness of aid is covered by the *Paris Declaration on Aid Effectiveness*, the *Accra Agenda for Action*, and the Busan agreements, the Council of the EU *Operational Framework on Aid Effectiveness* and the EU's *Development Policy Agenda for Change*. The goals and objectives of Estonian development cooperation are also shaped by our own transition and reform experiences, and membership of numerous organisations, such as the EU, UN, WTO, OECD.

The Country Strategy Paper is part of the source document of the Ministry of Foreign Affairs *Strategy for Estonian Development Cooperation and Humanitarian Aid 2016-2020* that is drawn up on the basis of previous strategies for 2006-2010 and 2011-2015 and includes the current experiences of Estonia as a donor. Based on the Country Strategy Paper, the goals of Estonian development cooperation across the areas of activities are the following:

- 1) Ensuring quality of education,
- 2) Supporting the development of health care,
- 3) Contributing to safeguarding peace and stability,
- 4) Supporting the development of democracy and the rule of law, introducing good governance practices and human rights,
- 5) Supporting economic development,
- 6) Supporting environmentally sustainable development and achieving internationally set environmental goals.

Throughout, as 'horizontal themes', Estonian development cooperation will address ensuring human rights, gender equality and environmental sustainability and implementing ICT.

Estonia's bilateral development cooperation is primarily aimed at countries to which Estonia can offer added value and which are committed to move towards a society built on democracy and human rights.

Main attention is paid to the Eastern Partnership countries of Georgia, Moldova, Ukraine, and Belarus and the post-conflict Afghanistan. The aim of Estonia is to promote a more long-term and directed cooperation with the partner countries; this aim is also supported by compiling development cooperation country strategies.

STRATEGIC OBJECTIVES FOR COOPERATION WITH GEORGIA

Georgia has been a priority partner country for Estonia's development cooperation since 2006 and Estonia's state and private sectors and civil associations have developed long-term sustainable cooperation relations with local partners. Over the period 2012-2015 Estonia's authorities committed € 3.33 million supporting Georgia: € 3.32 million via development cooperation actions and about € 0.01 million as humanitarian aid.

According to the *Strategy for Estonian Development Cooperation and Humanitarian Aid 2016-2020*, Georgia will remain the priority country of Estonia's bilateral aid. The strategic goals for Estonian development cooperation with Georgia are compliant with the aims of the Eastern Partnership framework of EU's *European Neighbourhood Policy* to honour, promote and protect democracy, the rule of law, human rights and fundamental freedoms, and create necessary conditions for further economic integration based on the *Free Trade Agreement*. To implement the *Free Trade Agreement*, reforms will be carried out bringing about the comprehensive approximation with legislation and product standards of the EU and partners.³

The strategic objectives for Estonia's cooperation with Georgia are also shaped within the context of specific bilateral agreements and other socio-economic, educational, and cultural ties between peoples, businesses and civil society.

The *Charter on Strengthening of Political Dialogue and Cooperation between Georgia and Estonia* was signed by the Estonian and Georgian Foreign Ministers in Tbilisi on 9 June 2010. The Charter is striving to establish a new institutionalised mechanism for consultations in various areas of cooperation, including:

- Educational, scientific, and cultural fields and people-to-people contacts,
- Good governance in the areas related to agriculture, food safety and regional development, climate and environment protection, as well as health, justice and home affairs,

³ Joint Declaration of the Eastern Partnership Summit, Riga, 2014:
<file:///C:/Users/kterras/Downloads/Riga%20Declaration%20220515%20Final.pdf>

- Georgia's European and Euro-Atlantic aspirations (intensifying dialogue, consultations and cooperation), providing expertise in Georgia's preparation for the negotiations on the Association Agreement between Georgia and the EU,
- As timely, the conclusion of negotiations on the Visa Facilitation and Readmission agreements between Georgia and the EU,
- Economic integration and the start of preliminary negotiations on the Deep and Comprehensive Free Trade Agreement between Georgia and the EU.

The strategic objectives are reflective of the specific needs and the development strategies of Georgia, and the identification of specific development directions and areas where Estonia offers value added.

Based on Estonia's comparative advantages in the provision of bilateral cooperation, the Estonian Government's strategic priorities for cooperation with Georgia over the medium-term period relate to:

- **Strengthening democratic state structures and systems**
 - Activities contributing to implementing the EU Association Agreement and the Reform Programme and the strengthening of administrative capability and transparency of state institutions by utilisation of e-governance and ICT solutions in public administration,
 - Involving civil society in governance and formation of reform processes, improving participatory democracy and capability of participating in good governance; improving outreach regarding the EU.
- **Improving the quality of education**
 - Updating the vocational education system according to the needs of the labour market, improving the quality of education provision and popularisation of vocational education,
 - Granting Estonian vocational education scholarships to students, teachers, researchers, etc., including collaboration of educational establishments,
 - Improving the quality of education in general education schools.
- **Supporting entrepreneurial development**
 - Supporting youth and small businesses in rural areas, in particular, by consulting on how to improve product quality to comply with the EU Free Trade Agreement standards.

Covering all areas, the horizontal themes addressed by Estonia's development cooperation in Georgia include human rights, gender equality, environmental friendliness, ICT, internally displaced persons (IDPs), and communication regarding the EU. The horizontal themes may also be regarded as separate cooperation goals.

Estonia's development cooperation will be conducted in cooperation with other international donors in Georgia by participating in sectorial donor coordination in cooperation with the Donor Coordination Division of the State Chancellery; Estonia also supports the joint programming of the EU.

The Ministry of Foreign Affairs supports the active participation of Estonian state authorities in EU Twinning programmes in Georgia.

GEORGIA'S DEVELOPMENT STRATEGY

The priority areas of the Georgian Development Strategy are based on two important and comprehensive documents: the Socio-Economic Development Strategy *Georgia 2020*⁴ and the Association Agreement and Association Agenda between the EU and Georgia. The implementation of commitments arising from the Association Agreement is set as a domestic policy priority in the 2015 Government Programme of Georgia.⁵

On 17 June 2014 the Government of Georgia approved the Socio-Economic Development Strategy *Georgia 2020* that specifies the priorities and goals for 2014-2020. The Strategy is based on three principles: competitiveness of the private sector, developing human resources and access to finance. The competitiveness of the private sector is seen as the main engine of economic development. The necessary preconditions for achieving a broad economic growth are macroeconomic stability and effective public administration. Improving the economic environment and creating attractive conditions for foreign capital will remain a priority for the Government. The Strategy focuses on social policy measures ensuring comprehensive growth and the protection of poorer social groups. The options of Georgia lie in the development of transit and improving the quality of energy, logistical and agricultural infrastructure.

The Strategy priority areas include:

- Improvement of investment and business environment
- Innovation and development of technology
- Supporting export growth
- Development of infrastructure and full use of transit potential
- Development of workforce that meets labour market requirements
- Improvement of the social assistance system
- Ensuring accessible and high-quality healthcare
- Mobilization of investment resources
- Development of financial intermediation

In addition, the Parliament adopted the *National Human Rights Strategy 2014-2020* on 30 April 2014 that specifies the improvement of protecting human rights and regulates the cooperation of state

⁴ <http://www.mrdi.gov.ge/en/news/page/529c98440cf276b73b39d7f1>

⁵ http://gov.ge/index.php?lang_id=ENG&sec_id=41&info_id=50258

authorities in this topic. The *Action Plan of the Government of Georgia on the Protection of Human Rights 2014-2016* was adopted in July 2014.⁶

Improving the quality and popularity of vocational education is one of the priorities of Georgia based on the *Vocational Education and Training Development Strategy for 2013-2020*⁷.

The Association Agreement between the EU and Georgia signed in June 2014, including specifications on free trade, took the relations of the EU and Georgia to a new qualitative level by making provisions for a comprehensive political and economic integration with the EU. The EU and Georgia agreed on the *Association Agenda for 2014-2016* for coordinated achieving of goals specified in the Association Agreement; the Agenda specifies priority areas for the period. The Government of Georgia has also adopted a separate Action Plan 2014-2017 (*DCFTA Action Plan*) for effectively implementing the Free Trade Agreement.

ESTONIA'S DEVELOPMENT COOPERATION STRATEGY (GEORGIA)

Estonia's strategy for development cooperation with Georgia is based on the cooperation between Estonia and Georgia developed to date, Georgia's interests in learning from Estonia's experience, and the priorities for Georgia's development. The Strategy incorporates the areas of cooperation identified in partnership with Georgia as areas of crucial importance in terms of gaining from Estonia's specific experience, and which comply with the country's development priorities.

In terms of the implementation of Estonia's bilateral development cooperation projects, this may be undertaken by a range of actors, such as governmental authorities, local government authorities or agencies, non-profit organisations or foundations and other legal persons in cooperation with Georgian parties⁸.

To support Georgia's development goals, the main method of delivering Estonia's bilateral development cooperation will be in the form of capacity building projects, transferring technical expertise based on the social, state governance and administrative reform and experiences of Estonia regarding joining the EU. An important partner in counselling on the Reform Programme related to the EU Association Agreement and the Free Trade Agreement and as a throughout activity in supporting awareness related to the EU in Georgia is the Estonian Center of Eastern Partnership SA.

Projects will be primarily implemented via tailored technical cooperation, advisory and training support measures. Georgian partners are assumed to take over and continue operation of the project's results.

⁶ http://gov.ge/index.php?lang_id=ENG&sec_id=429

⁷ <http://www.mes.gov.ge/content.php?id=4336&lang=eng>

⁸ Section 7 of the regulation of the Government of the Republic of Estonia, 5 September 2014, *Conditions and procedure for the provision of development assistance and humanitarian aid*

Where fully justified, within the context of the wider capacity building goals, limited provision for the supply of technical equipment may also be a means for delivery of bilateral cooperation support.

Recognising that Estonia's funding levels are relatively limited, the multi-annual framework initially seeks to build on existing cooperation relationships, where value added has already been demonstrated. However, as a means of further deepening bilateral cooperation with Georgia, the programme will also support the development of new cooperation relationships, closely tied to the development strategies and needs of our Georgian partners and where 'ownership' of the development objectives by the Georgian partners is strong. An important way of cooperation is the co-financing of project activities of international agencies and other international donors and supporting them with experts.

So as to promote larger, longer-term projects, to achieve lasting development results, and to ensure greater responsibility and involvement of our Georgian partners, Estonia will increasingly plan and assess development cooperation actions on the basis of long-term sector goals.

STRENGTHENING DEMOCRATIC STATE STRUCTURES

- Means of Delivery: transferring expertise to state authorities and civil society organisations, their training and counselling.
- Outcomes: projects will support the further development and reform of state functions and civil society, growth of administrative capability, public policy formulation in a transparent and corruption-free manner involving and taking account of the civil society, by involving, among other things, different ICT solutions. Awareness and information regarding the EU is common and understandable among the population; systems and procedures of government have been updated; new resources and services, communication and information materials; training programmes for officials have been developed.
- Impacts: resulting in more effective and accessible public services, legitimacy of the state and the declaration of the rule of law.

Estonia has valuable experiences in integrating to the EU and implementing the law of the Union, the division of which is one of the central cooperation aims on the level of central government, local government and civil society organisations. The goal is to develop a transparent policy supporting democracy and human rights and social involvement. Cooperation with Georgian civil associations supports their operational and custody capability and cooperation between associations (networks). Strengthening active civil society is an important aspect of the *National Human Rights Strategy 2014-2020* of Georgia.

IMPROVING THE QUALITY OF EDUCATION

- Means of Delivery: transferring expertise via technical and vocational education and training⁹ projects; supporting cooperation or contact between vocational education facilities and the private sector; transferring expertise with Estonian vocational education facilities; counselling on reforming general education school curricula in cooperation with the Ministry of Education.
- Outcomes: projects will support the further development of the qualifications of staff, improving the quality of curricula and teaching materials, and the management capacity of Georgia's TVET actors to effectively fulfil their functions; vocational education will respond to the demand of the labour market and finding of jobs, thus, popularising vocational education; scholarships provide participants (students, teachers, researchers, etc.) the opportunity to acquire knowledge and skills in an international learning environment. Study programmes of general education schools have been updated.
- Impacts: resulting in the enhancement of the skills and knowledge base in Georgia, supporting quality of education, employability and greater income opportunities.

Further strengthening of the TVET offer in Georgia will be achieved by sharing Estonia's experience linked to the reform and modernisation of the TVET sector. Building on previous and on-going cooperation projects, the primary focus for Estonia's support is TVET schools, directed at: enhancing the managerial and educational quality assurance systems in TVET schools; raising professional standards and staff qualifications; curriculum development in priority economic sectors and the accompanying in-service training of teachers, promoting the inclusion of employers and other social partners, and popularisation of TVET opportunities to the public. Based on discussions with the Georgian partners, the priority sectors for support are: IT and telecommunications; tourism and services; agriculture and rural tourism; construction; maritime specialities; textile industry; wood industry; and metal works. TVET is part of the Government of Georgia and Development Strategy *Georgia 2020* and the sector-specific goals have been set in the *Vocational Education and Training Development Strategy for 2013-2020*.

An important part of educational cooperation is granting scholarships for study in Estonian institutes of higher education.

INCREASING THE LEVEL OF ENTREPRENEURIAL ACTIVITY

- Means of Delivery: transferring expertise via rural, local or regional development projects. Counselling on product standards arising from the EU Free Trade Agreement; cooperation with universities to encourage youth to pursue entrepreneurship and build start-ups.
- Outcomes: projects will support the further development of the capacity of Georgia's local development actors to provide relevant and high quality training courses for entrepreneurs (e.g. new businesses, SMEs, farmers, rural non-farm actors), and operating of effective market development and business/trade promotion mechanisms.

⁹ Technical and Vocational Education and Training (TVET)

- Impacts: resulting in the improved conditions for sustainable economic growth, increased productivity and income opportunities.

Increasing the level of entrepreneurial activity is considered important in the Government Programme of Georgia, the Development Strategy *Georgia 2020* as well as the Association Agreement between the EU and Georgia, the implementation of which is a priority of the Government of Georgia. The Government of Georgia has also adopted a separate Action Plan 2014-2017 (*DCFTA Action Plan*) for effectively implementing the Free Trade Agreement. The medium-term priorities for Estonia's development cooperation in Georgia relate to promoting the following aspects.

Estonia supports training for Georgian entrepreneurs, in particular encouraging and motivating youth to pursue entrepreneurship, using information technology solutions and building start-ups. An important area is the implementation of standards arising from the EU Free Trade Agreement and transferring know-how, in particular, among entrepreneurs in rural areas, where Estonia already has experience (such as dairying) and what increases the competitiveness of Georgian products on the EU market.

INDICATIVE BUDGET

The Strategy foresees development cooperation funding as principally allocated within the budget of the Estonian Ministry of Foreign Affairs, but funding may also be provided by other state budget authorities.

Based on the volume of previous development cooperation with Georgia and the decision of the Government of the Republic to maintain the development cooperation resources of the state budget on the 2015 level through to 2019, the indicative volume of Estonia's development cooperation with Georgia within the budget of the Ministry of Foreign Affairs for the period 2016-2018 is € 2.85 million. The indicative budget is typically allocated by the Ministry of Foreign Affairs from the budget line of development cooperation and humanitarian aid and the Ministry of Foreign Affairs has the right to be flexible in dividing the budget between priorities. Based on the *Strategy for Estonian Development Cooperation and Humanitarian Aid 2016-2020*, the financial target level of cooperation with Georgia makes up 8% of the total official development assistance of Estonia¹⁰. The indicative budget is reviewed annually after the state budget has been adopted by the *Riigikogu*.

¹⁰ The Strategy for Development Cooperation and Humanitarian Aid 2016–2020
<http://vm.ee/en/taxonomy/term/55>

Table 2: Estonia's Development Cooperation (Georgia) 2016-2018 – Indicative Budget (€)

| Development Priority | 2016 | 2017 | 2018 | Total | % |
|----------------------|----------------|----------------|----------------|------------------|------------|
| Governance/democracy | 332 500 | 332 500 | 332 500 | 997 500 | 35 |
| Education | 285 000 | 285 000 | 285 000 | 855 000 | 30 |
| Entrepreneurship | 237 500 | 237 500 | 237 000 | 712 500 | 25 |
| Micro-financing | 95 000 | 95 000 | 95 000 | 285 000 | 10 |
| TOTAL (€) | 950 000 | 950 000 | 950 000 | 2 850 000 | 100 |

The Estonian Ministry of Foreign Affairs is responsible for the strategic planning, implementation, monitoring, and coordination of the activities of Estonian development cooperation. Implementation of development cooperation activities is undertaken by other ministries and their agencies, other constitutional institutions, local authorities, non-profit associations and businesses.

Progress monitoring and reporting, audit and control will be undertaken in accordance with related legislation¹¹ and additional guidance issued by the Ministry of Foreign Affairs. Each year the Ministry of Foreign Affairs will submit to the Government of the Republic of Estonia a report on the implementation of the development cooperation programme.

¹¹ Regulation No. 8 of the Government of the Republic of Estonia, 21 January 2010, *Conditions and procedure for the provision of development assistance and humanitarian aid*

ANNEXES

ANNEX1: FRAMEWORK FOR RELATIONS BETWEEN ESTONIA AND GEORGIA

Diplomatic relations between the Republic of Estonia and Georgia were re-established in June 1992. Since then relations have gradually evolved, including via the conclusion of a series of Government-to-Government bilateral cooperation agreements and memoranda of understanding. The Estonian Embassy in Tbilisi was opened in December 2006 and Georgia opened its Embassy in Tallinn in April 2007.

Main bilateral agreements between the Republic of Estonia and Georgia:

Protocol amending the agreement between the Government of the Republic of Estonia and Georgia on Investment, 02.11.2015

Agreement between the Government of the Republic of Estonia and Georgia and on Co-operation in the field of Tourism, 09.09.2013

Programme on Cultural Cooperation between the Ministry of Culture of the Republic of Estonia and the Ministry of Culture and Monuments Protection of Georgia for the years 2013-2016, 26.07.2013

Agreement on Cooperation between the Ministry of Interior Affairs of the Republic of Estonia and the Ministry of Internal Affairs of Georgia, 13.09.2010

Charter on Strengthening of Political Dialogue and Cooperation between Georgia and Estonia, 10.06.2009

Agreement between the Republic of Estonia and Georgia on the Encouragement and Protection of Investment, 24.11.2009

ANNEX 2: GENERAL OVERVIEW OF GEORGIA

Georgia is a lower middle income, developing economy with a population (2014) of about 3.7 million people and a gross national income (GNI) per capita (2014) of \$ 3680. The UNDP's Human Development Report 2014 ranked Georgia 81st (of 187 countries) in terms of its overall development.

Since 2003 Georgia has undertaken an extensive series of political, economic, social and governance reforms in support of the reconstruction of a democratic country. These have been accompanied by an impressive progress in reforming the role of the state, deregulating the economy, removing bureaucratic barriers, strengthening the business environment, and reducing administrative corruption.

The successful 2012 election of a parliamentary assembly and 2013 presidential elections have had an extremely positive impact on the development of democratic institutions and have ensured political stability for the development of the country.

The EU Association Agreement signed in 2014 together with international aid in the form of technical and financial contributions have made an important impact on continuing with reforms in Georgia. The support of Georgian population and Government on the Euro-Atlantic integration remain very high.

A liberal economic model and very good scores on international economic freedom and business environment studies have created an interest in Georgia in investors. The economic growth of recent years has been moderate, 5% on the average. Regional political risks have been the inhibiting factors. The unresolved issue of the Abkhazia and Tshinval regions occupied as a result of the 2008 Russo-Georgian War, the impossibility of refugees returning home and the hot Nagorno-Karabakh conflict inhibit implementing the full development potential of the whole region. Although Russia ended the trade boycott in January 2014, restoring trustworthy economic relations will take time.

The Government of Georgia has set achieving a comprehensive social-economic development as a clear goal of the Development Strategy *Georgia 2020*. Based on data by Geostat, 11.6% of the population were living below the poverty threshold in 2014. The official unemployment rate was 12.6%, yet, according to sociological studies, approximately 60% of the population consider themselves unemployed.

Unemployment has proven to be a bigger issue for those living in rural areas. Although agriculture employs 50% of the labour force, its output only accounts for 8% of the GDP. The agriculture sector is dominated by small fragmented family farms. Modern technologies are not used and the productivity is low. 30% of those employed in agriculture only produces for themselves. Although the development of agriculture is a priority for the Government of Georgia, comprehensive short-term changes are impossible and there is a strong social policy factor dominating in agriculture. With the help of implementing the EU Free Trade Agreement (DCFTA) and with the support of international donors,

the activities of cooperative societies and production will be developed and a national quality control and standard system will be established allowing the export of agricultural products to the EU market.

Georgia will continue reforming the education system in order to provide wide access to high-quality education. The Government has improved the possibilities of children in rural areas to receive education, free study materials are an important measure on the national level. An important challenge lies in optimisation of the education infrastructure and organisation of training and continuing education of teachers. The novation of curricula is currently under way. Yet, access to education by the poorest families and socially vulnerable children remains a significant issue. The Government of Georgia is increasing their focus on improving the quality of employment and vocational education. More funds have been allocated from the state budget, the National Vocational Education Council began work in 2015, a national vocational education qualification system corresponding to European standards has been established, over 120 study modules have been developed, etc. Material-technical base and professional preparation of teachers remain significant issues (exchange programmes for training of teachers are extremely important). It is necessary to strengthen the volume of entrepreneurship in vocational education and create an environment promoting innovation. An extremely important goal lies in ensuring that vocational education responds to the demand of the labour market and employers participate in the work of vocational education facilities.

Georgia needs to accelerate its efforts to consolidate democracy, especially as regards political and media pluralism. Other challenges include freedom of association, labour rights, employment and social policies, poverty reduction, the rights and integration of ethnic, religious, and sexual minorities.

Additionally, the opportunities for a dialogue with civil society and for the participation of citizens in decision-making are limited. Civil society organisations (CSOs) often lack capacity, and volunteering and broad participation is rare. Women's participation in decision-making is also limited: the proportion of women members of parliament dropped to 6% in the 2008 elections.

Women also continue to suffer in terms of participation in the labour-force and in terms of a gender pay gap: in 2014 just 57% of women were in the labour-force (77% for men), 51% of them employed and 6% unemployed, while in 2014 the average monthly salary of formally employed women remained, on average, 37% less than for men.

In March 2010 the Georgian parliament adopted the *Law on Gender Equality* which provides for the strengthening of women's political participation and gender-responsive planning and budgeting by the government. Although the situation has slightly improved over the last five years, there are still shortcomings in terms of understanding the importance of gender equality. Gender-related violence is a general problem in Georgia and for raising awareness on the issue, the President of Georgia declared 2015 the Year of Women.

Implementation of local self-governance reforms, empowerment of regional or local self-governance bodies, particularly through financial decentralisation, and effective implementation of their mandate

are important issues in effecting self-governance. Additionally, the introduction of e-governance systems is important for effective self-governance as it ensure the implementation of various forms of communication between government and society. Currently, the general level of ICT in Georgia is low and e-government resources are limited, especially on the regional and municipal levels.

ANNEX 3: ESTONIA'S PAST AND PRESENT DEVELOPMENT COOPERATION ACTIVITIES IN GEORGIA

Georgia has been a priority partner country for Estonia's development cooperation since 2006. During the *Development Plan for Estonian Development Cooperation and Humanitarian Aid 2006-2010* Estonia committed € 2.83 million supporting Georgia; during the 2011-2015 period Estonia committed € 3.76 million (excl. humanitarian aid). The first Estonian bilateral development cooperation country strategy for Georgia 2012-2015 is within the period of the last strategy and during this period Estonia allocated € 3.33 million for cooperation with Georgia (excl. humanitarian aid). The Country Strategy Paper set primary cooperation areas that were reviewed upon identifying the activities of the current Country Strategy Paper.

The primary areas supported 2012-2015 related to issues of: governance and development of democracy and empowering civil society (28.0% of development cooperation funding); education, including vocation education (20.4%); supporting entrepreneurship (26.6%). Separately, peace (15.9%), health, environment and other (9% in total).

Weight of the support from the development cooperation resources allocated to Georgia during the Country Strategy 2012-2015 period* (all ministries, excluding humanitarian aid).

| | Education | Health | Peace | Democracy | Entrepreneurship | Environment | Other | Total |
|--------------|-----------|--------|---------|-----------|------------------|-------------|--------|-----------|
| 2012 | 160 593 | 44 395 | 217 892 | 204 114 | 119 217 | 0 | 26 270 | 772 481 |
| 2013 | 104 066 | 13 500 | 144 897 | 192 211 | 239 178 | 30 000 | 27 851 | 751 703 |
| 2014 | 178 309 | 1 500 | 91 984 | 251 917 | 239 167 | 67 453 | 26 960 | 857 290 |
| 2015* | 236 237 | 0 | 76 586 | 285 770 | 290 635 | 62 581 | 0 | 951 809* |
| Total | 679 205 | 59 395 | 531 359 | 934 012 | 888 197 | 160 034 | 81 081 | 3 333 283 |

* Support of the Ministry of Foreign Affairs during 2015 (excl. humanitarian aid) as at 02.12.2015.

The following larger projects can be highlighted during the 2012-2015 Country Strategy period of Estonian aid to Georgia:

Enhancing the Fight Against Cybercrime in the Unit of Cybercrime Under the Ministry of Internal Affairs of Georgia; Police and Border Guard Board

Distribution of Estonian social entrepreneurship experience and supporting the start-up businesses in Georgia; Harju County Entrepreneurship and Development Consultancy

Implementation of food safety regulations in Georgian enterprises; Estonian Ministry of Agriculture

Advancement of the advocacy and participation capacity of the organisations in the Georgian Eastern Partnership National Platform; PRAXIS Center for Policy Studies

Helping to integrate the Armenian minority into Georgian society; Jaan Tõnisson Institute

The most efficient protection of the weaker side in family-relations in Georgian courts; Forum Academicum Inter Nationes Roela NGO

Creating a Platform for Combating Domestic Violence in Georgia; Estonian Academy of Security Sciences (EASS)

Increasing destination competitiveness of Crimea (Ukraine) and Batumi (Georgia) regions through development of local tourism businesses; University of Tartu, Pärnu College

Contributing to the reintegration of youth released on parole into the society; Go Group Media

Supporting Access to Quality Reproductive Health (RH) Services for Conflict Affected Population ; Healthy Generation

Good Citizens' School, part 2; Estonian Atlantic Treaty Organisation

Women's Rights: Art in Action; Women's Fund in Georgia

Entrepreneurship Academy at Ivane Javakhishvili Tbilisi State University; BDA Consulting

Development of sustainable entrepreneurship in Georgia and distribution of Estonian social entrepreneurship experience; Harju County Entrepreneurship and Development Consultancy

Helping to integrate the Armenian and Azeri minorities into Georgian society; Jaan Tõnisson Institute

Transfer of Estonian Best Practices to Support the Competitiveness of the Georgian VET Sector; Foundation for Lifelong Learning Development Innove

Quality Education for Children at Social Risk. Individualisation and learning support; SOS Kinderdorf International Coordination Center

Active learning method: Building Capacity of the Organisers and Trainers of the Model International Criminal Court MICC; Unitas

Support to Psycho-Rehabilitation Center; Women's Association of Gali Region

Implementation of food safety and quality requirements in Georgian small scale cheese plants; Snille

Developing the capacity of civil society organisations and enhancing gender equality in Samtskhe-Javakheti region; Civil Training Center

The practice of Georgian AISI teachers and students in Estonia; Olustvere School of Service and Rural Economics

Implementing cattle breeding measures in Georgian dairy farming enterprises; Animal Breeders Association of Estonia

Our European Choice; NGO Voice from Georgia

Nationwide entrepreneurship competition for youth in Georgia; BDA Consulting

Promoting development of environmental NGOs and their environmental activities in Javakheti region; Pepsi Center for Transboundary Cooperation

Promotion of reflectors in the schools and preschools of Georgia on Estonian example; NGO Trafficprof

Sharing of Estonian and Georgian best practices in external assessment; Innove

Assessing the Effectiveness and Efficiency of e-Services in Georgia; PRAXIS Center for Policy Studies

Linking JA Georgia to European Family of Entrepreneurship Education; Junior Achievement Estonia

Developing the cooperation between the University of Tartu and the Ivane Javakhishvili Tbilisi State University as a contribution to implementing the EU Eastern Partnership Action Plan; European College of the University of Tartu

Establishment of the counselling centre for women and children rights in Samtskhe-Javakheti; Civil Training Center

Supporting EU integration process in Georgian Kvemo-Kartli and Samtskhe-Javakheti regions and in the Autonomous Republic of Ajaria; Jaan Tõnisson Institute

Developing inclusive policies for Georgian state officials; Praxis Center for Policy Studies

Raising AA/DCFTA related communication skills in Georgia and Moldova; Estonian School of Diplomacy

Ensuring the sustainability of the Tbilisi (Georgia) and Minsk (Belorus) tourism area via innovative and high-quality event tourism products; University of Tartu, Pärnu College

Management of nationwide reserve area network and practical nature protection work; Environmental Board

Supporting the participation of youth from Eastern Partnership and Central Asian countries in EU simulation; European House

Stress Management Training of employees of 112; Anti-Violence Network of Georgia

Supporting the capacity of agricultural producers in Samatskhe-Javakheti region and developing producer co-operatives; Regional and Local Government Development Institute

Supporting the UN Children's Fund (UNICEF) in developing curricula and teacher training of Georgian general education schools; Innove and the UN Children's Fund (UNICEF)

Youth entrepreneurship and investment opportunities in Georgia; Harju County Entrepreneurship and Development Consultancy

Enhancing State Language Knowledge and Raising Awareness on NATO and EU of Ethnic Armenian Minorities in Javakheti; GFSIS (The Georgian Foundation for Strategic and International Studies)

Transfer of Estonian Best Practices to Support the Competitiveness of the Georgian VET Sector II; Innove

The introduction of the HACCP-method and principles of own-control systems into Georgian small scale cheese plants; Snille

Development of the start-up community in Georgia and Kyrgyzstan; Garage48 SA

Improving the quality and user-centricity of Georgian public services; PRAXIS Center for Policy Studies

Implementation of school readiness program in Marneuli for 5-6 years Azerbaijanian children; Society of Democratic Women of Marneuli

GLOSSARY OF ACRONYMS

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| CSOs | Civil Society Organisations |
| EC | European Commission |
| ENP | European Neighbourhood Policy |
| EU | European Union |
| GDP | Gross Domestic Product |
| GNI | Gross National Income |
| ICT | Information and Communication Technology |
| IDP | Internally Displaced Persons |
| OECD | Organisation for Economic Cooperation and Development |
| SMEs | Small and Medium Sized Enterprises |
| TVET | Technical and Vocational Education and Training |
| WTO | World Trade Organization |
| UN | United Nations |
| UNDP | United Nations Development Programme |
| USA | United States of America |