



EVALUATION OF THE EUROPEAN UNION'S CO-OPERATION WITH GEORGIA

SYNTHESIS OF THE MAIN CONCLUSIONS AND RECOMMENDATIONS

Introduction

The evaluation of the European Union's co-operation with Georgia (2007-2013) has been followed by a Reference Group and chaired by the Evaluation Unit. The Reference Group was constituted of members of all services of the European Commission and the EEAS, the EU Delegation to Georgia (EUD) and the Embassy of Georgia in Belgium.

Main conclusions:

1. The EU's **global strategy in Georgia was reasonably effective** in pursuing the main goals of the European Neighbourhood Policy (ENP). However, the focus on the broader and more political aspects of the ENP reform agenda led to decreased attention to actual sector outcomes and, in some cases, weaker strategic monitoring. In some areas, approximation has been a strong framework for co-operation, in other areas it has been less effective. While EU "development co-operation" in Georgia is involved in a wider and complex co-operation and political framework, it appears to have run largely in isolation.
2. In implementing its strategy, the EU deployed a wide range of instruments, modalities, and aid channels and combined them to fill gaps, achieve complementarity, and exploit synergies. **Budget support was appropriately used** and, with some exceptions, was successfully combined with policy dialogue and complementary capacity development measures. At a number of points, a stronger combination of political dialogue and co-operation would likely have yielded better results.
3. Moving to specific sectors, the EU has made tangible **contributions to strengthening the rule of law and improving access to Justice** through capacity building, TA and budget support. EU support **contributed to improvement of PFM** in many areas, yet is challenged by the lack of a sector-wide results-based focus. **EU support to agriculture and regional development has been instrumental** in assisting the Government of Georgia (GoG) to prioritize these sectors. **EU support has contributed significantly to the development of Civil**

Society as a force in Georgian politics and society, but the development has been lopsided, with capital- and secondary-city based organisations attaining considerable influence and sustainability while grass- roots organisations remain weak.

4. The EU mounted a **timely, rapid, and multifaceted response to the challenges posed by conflict-affected populations**. However, the effectiveness of the support was challenged by some difficulties associated with the use of budget support and the heavily politicised environment around the issue of internally displaced persons (IDPs). Despite having valuable impact, the EU's support for Conflict Resolution and Confidence Building in the breakaway regions suffered from the **lack of a joined-up, EU-wide approach** and placed too much of a burden on the co-operation programme and the EUD alone. This support was constrained by GoG and de facto authority conditions (particularly in South Ossetia) complicated by the role of Russia. **EU could have played a stronger role in increasing overall aid effectiveness** and in the promotion of results oriented coordination, being the second largest donor for the country in the 2007-2012 period and the third largest in the period under review 2007-2013.

Main recommendations:

1. Continue to focus financial assistance on the reforms initiated but address persisting challenges by holding GoG to account for sector-wide reform results. Going forward, attention should be paid to identifying **shared goals and areas where the EU can add value in the context of Association**. Both in political dialogue and programming, more account needs to be taken of the fact that association is a weaker incentive than enlargement. **Better communicate the broad benefits of approximation**, especially outside Tbilisi. The social advantages of approximation – human rights, better consumer and environmental protection, more transparent and accountable government, etc. will be a stronger “selling point” for association than economic gains.
2. Form closer links with the political section as well as with other EU entities (for example, EUMM, EUSR) and responsible staff from non-DEVCO DGs in Brussels in order to **better embed the co-operation programme in the broader framework** of multiple EU-Georgia dialogues and processes. Take advantage of political dialogue to further enhance results perspectives of development co-operation. Going forward, the EU should **more closely align co-operation and political dialogue**, especially in sectors such as Justice, IDPs and Conflict Resolution/Confidence Building. This should begin at EUD level but also involve Brussels as appropriate.
3. **Adopt a “Whole EU” strategy**, with the EUD as the focal coordination point at its centre, in communication with the GoG regarding co-operation. To start, specific processes and procedures, such as those involved in the ENP revision process, could be examined to see if there is scope for a unified approach and capacity building needs in aid coordination could be assessed.
4. Continue to provide support to the **rule of law reforms** broadly defined, putting more emphasis on issues of transparency, accountability, and (where applicable) independence. Support the development of a comprehensive **PFM capacity development strategy** informed by the objectives and desired results expressed in

the PFM reform strategies and an assessment of existing capacity gaps, or capacity needs for the implementation of the respective reform measures. Emphasise the **broadening of Civil Society support** to grass-roots organisations in line with the Civil Society Roadmap 2014-2017, especially to deal with the challenge in minority-populated regions.

5. While continued dedicated support to IDPs may be needed, the EU should **integrate support to IDPs into the broader co-operation programme** in areas such as agriculture, civil society, economic development, and rule of law. The EU should develop a comprehensive transition strategy for the mainstreaming of appropriate IDP elements within other areas of EU support and policy dialogue. Develop a **more broadly joined-up policy in Conflict Resolution and Confidence Building**, with a deeper appreciation of the long-term contribution of development co-operation. Conflict resolution should remain a key component of the EU strategy for Georgia. EEAS Services, the Commission, EUSR and to some extent EU Member States should look to develop a clearer and collectively shared strategic logic informed by a **joint analysis for EU engagement in conflict issues in Georgia and the wider Caucasus**. This is not a new idea and there is a need for recognition why this collective EU approach has been so difficult to achieve in the past by all EU stakeholders and what sort of incentives can be put in place to change the dynamics.