



**WORLDWIDE GOVERNANCE INDICATORS – GEORGIA IN THE WORLD BANK
RANKING 2021**

September 2021

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Introduction

[Worldwide Governance Indicators](#) (WGI) constitute a research database based on over 30 data sources reflecting the views and evaluations stemming from citizens, entrepreneurs and experts. These data come from rankings and assessments stemming from surveying representatives of research institutions, CSOs, international organizations, as well as the private sector. New aggregate indicators – WGI and relevant global ranking, are constructed by combining the results of mentioned assessments and databases. WGI ranking covers 214 countries worldwide. The ranking was established in 1999 by the World Bank Institute, the Development Research Group of the World Bank and the Brooking Institution.

The purpose of this analytical document is to introduce Georgia's rankings to public, detect strong and weak sides of Georgia's development, highlight achieved progress and compare Georgia's results with those of European countries.

Methodology

Worldwide Governance Indicators are fully based on global rankings and assessments such as Freedom House, IREX Media Sustainability Index, Open Budget Index, World Justice Project, etc. (34 in total).¹ Participant countries are assessed in six directions on the scale of 0-100%.

1. Voice and Accountability - captures perceptions of the extent to which a country's citizens are able to participate in selecting their government, as well as freedom of expression, freedom of association, and a free media.

2. Political Stability and Absence of Violence - measures perceptions of the likelihood of political instability and/or politically motivated violence, including terrorism.

3. Government Effectiveness - captures perceptions of the quality of public services, the quality of the civil service and the degree of its independence from political pressures, the quality of policy formulation and implementation, and the credibility of the government's commitment to such policies.

4. Regulatory Quality - captures perceptions of the ability of the government to formulate and implement sound policies and regulations that permit and promote private sector development.

5. Rule of Law - captures perceptions of the extent to which agents have confidence in and abide by the rules of society, and in particular the quality of contract enforcement, property rights, the police, and the courts, as well as the likelihood of crime and violence.

¹ Data sources of Worldwide Governance indicators are available at:
<https://info.worldbank.org/governance/wgi/Home/downloadFile?fileName=Table1.pdf>.

6. Control of Corruption - captures perceptions of the extent to which public power is exercised for private gain, including both petty and grand forms of corruption, as well as "capture" of the state by elites and private interests.

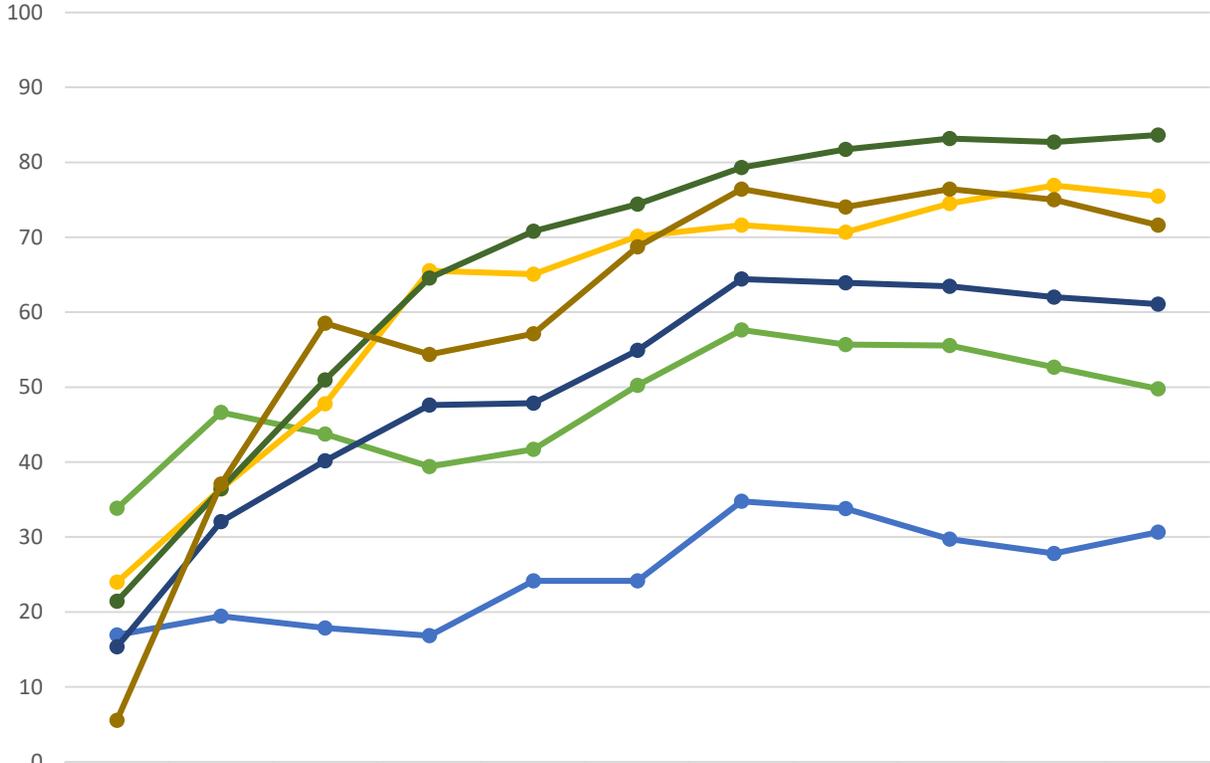
For the purposes of this document Georgia's rankings are compared with those of the European Union (EU) countries and the Eastern Partnership (EaP) countries.

Georgia's Rankings

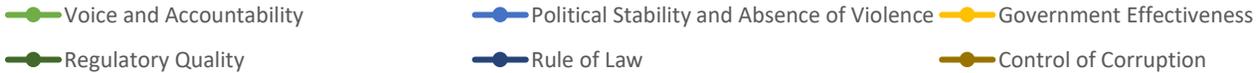
Georgia obtained the highest assessment in Worldwide Governance Indicators in 2014. Prior to this date indicators demonstrated steady and rapid development of Georgia. During this period especially noticeable was Georgia's progress in the areas of Rule of Law and Control of Corruption.

According to the Worldwide Governance Indicators, the pace of the country's development significantly slowed down since 2014. According to the latest assessment of the World Bank, Georgia showed the highest result in the area of Regulatory Quality compared to previous years, however, regress was detected in all of the rest five directions. Although Georgia's ranking in the area of Political Stability slightly increased in 2020 compared to 2019, among the six directions Georgia constantly has the lowest score in Political Stability, which is not even close to half of the maximum rating. Herewith, instead of improving the previous years' rankings Georgia was able to only return to 2014 results in 2018 in the area of control of corruption and gradually deteriorated the score in 2019 and 2020.

Georgia's Rankings



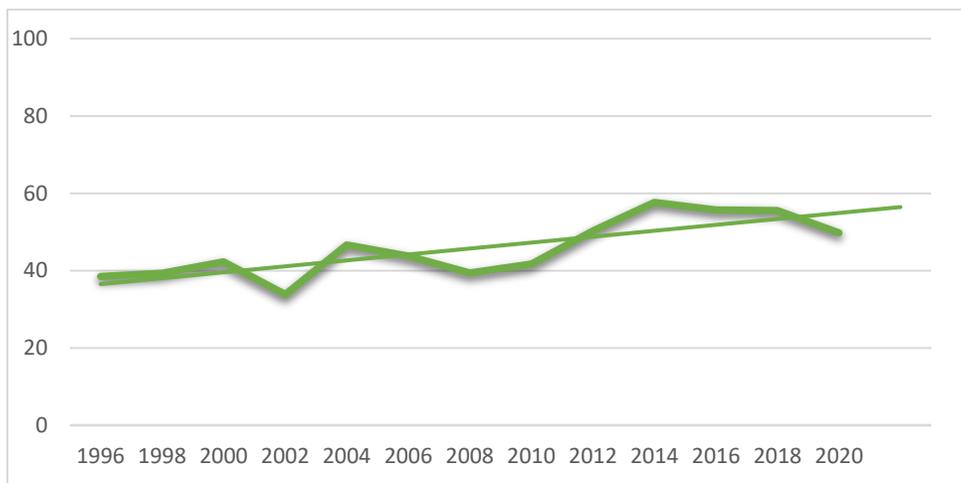
	2002	2004	2006	2008	2010	2012	2014	2016	2018	2019	2020
Voice and Accountability	33.83	46.63	43.75	39.42	41.71	50.23	57.64	55.67	55.56	52.66	49.76
Political Stability and Absence of Violence	16.93	19.42	17.87	16.83	24.17	24.17	34.76	33.81	29.72	27.83	30.66
Government Effectiveness	23.98	36.45	47.8	65.53	65.07	70.14	71.63	70.67	74.52	76.92	75.48
Regulatory Quality	21.43	36.45	50.98	64.56	70.81	74.41	79.33	81.73	83.17	82.69	83.65
Rule of Law	15.35	32.06	40.19	47.6	47.87	54.93	64.42	63.94	63.46	62.02	61.06
Control of Corruption	5.56	37.07	58.54	54.37	57.14	68.72	76.44	74.04	76.44	75	71.63



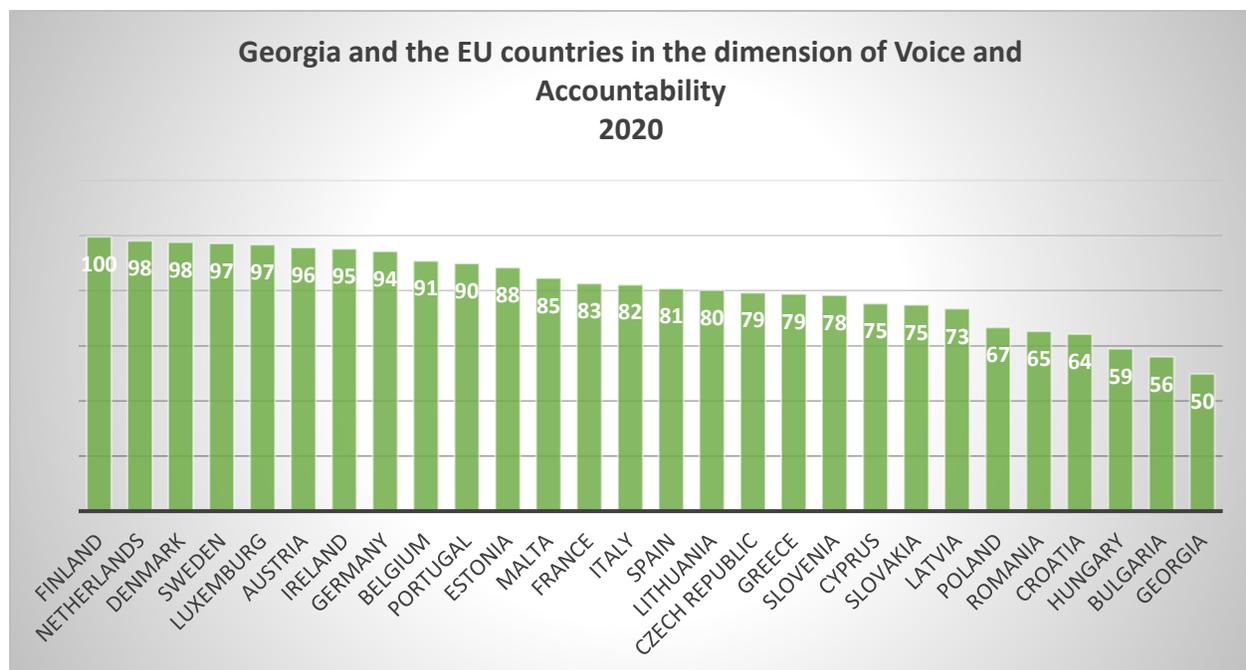
Voice and Accountability

Voice and Accountability dimension captures perceptions of the extent to which a country's citizens are able to participate in selecting their government, as well as freedom of expression, freedom of association, and a free media.

In 2020, the evaluation of Georgia in the dimension of Voice and Accountability fell below half of the maximum rating to 49.76%, which is worsened compared to previous years. Georgia has not had a ranking lower than 50% in this direction since 2011.



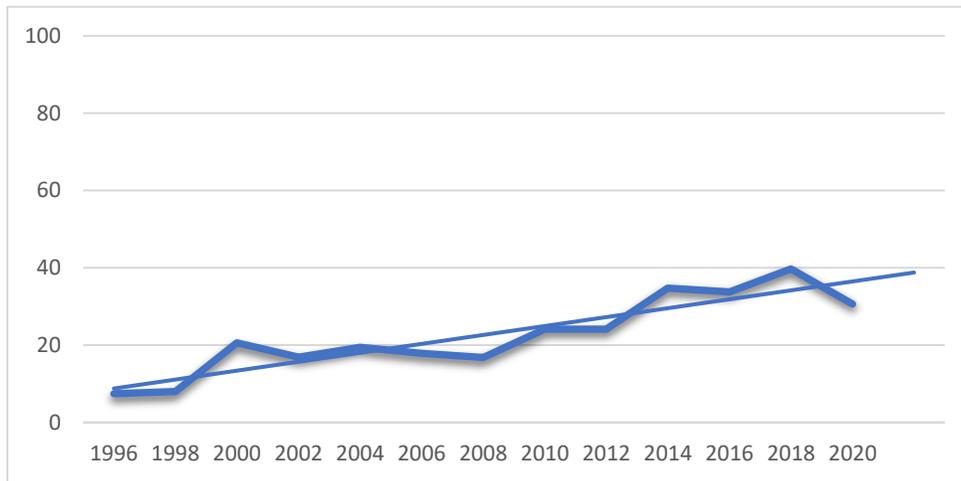
Notwithstanding the worsened results in the area of Voice and Accountability, Georgia is ahead of all Eastern Partnership countries (Armenia, Azerbaijan, Moldova, Belarus) except Ukraine, however, ranks last among the European Union (EU) countries.



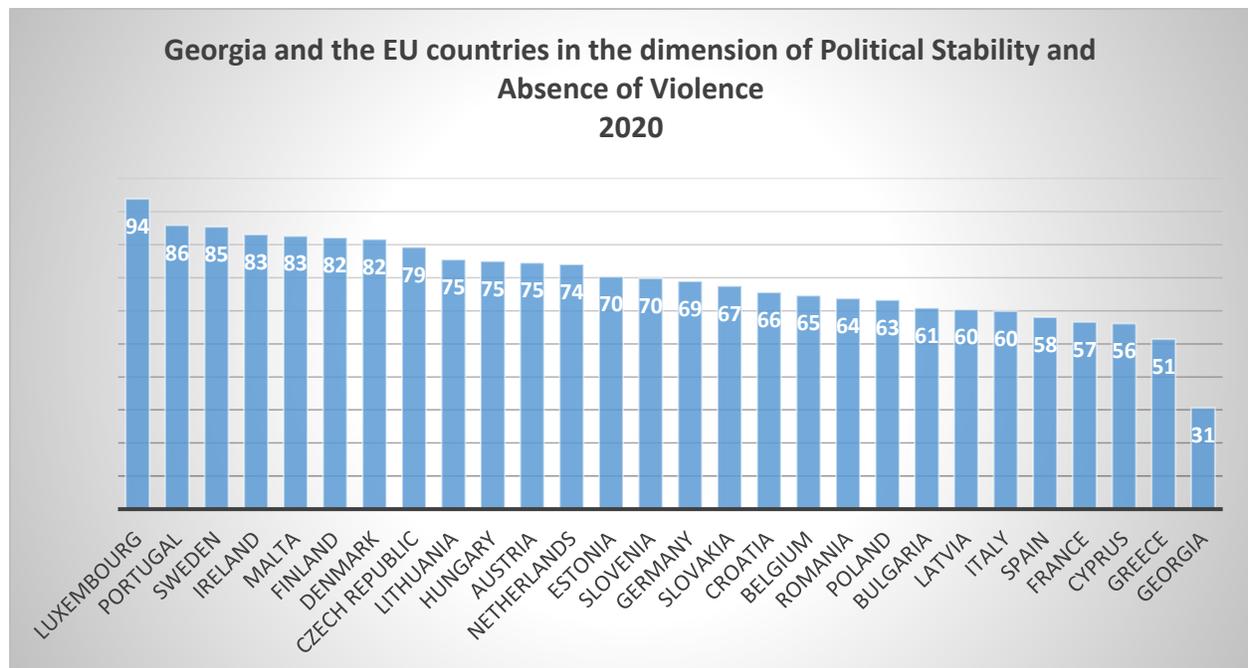
Political Stability and Absence of Violence

The dimension of Political Stability and Absence of Corruption measures perceptions of the likelihood of political instability and/or politically motivated violence, including terrorism.

In this area Georgia consistently has the lowest score among six dimensions assessed by the World Bank. Although Georgia's ranking in the area of Political Stability slightly (2.83%) increased in 2020 compared to 2019, it is not even close (30.66%) to half of the maximum rating.



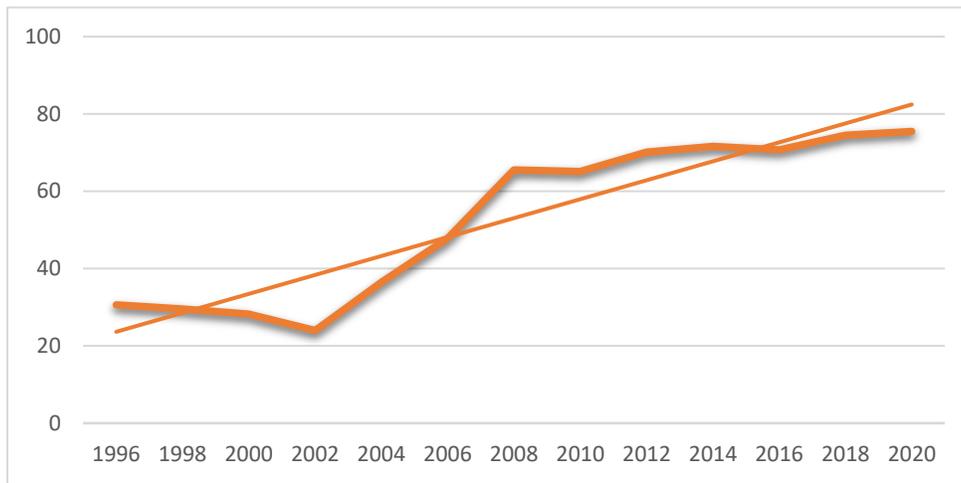
In the dimension of Political Stability and Absence of Violence Moldova is in the first place among the EaP countries, while Georgia is in the second place, ahead of Ukraine, Belarus, Armenia and Azerbaijan. Georgia ranks last among the EU countries and significantly lags behind Greece, which is in front of Georgia in the ranking.



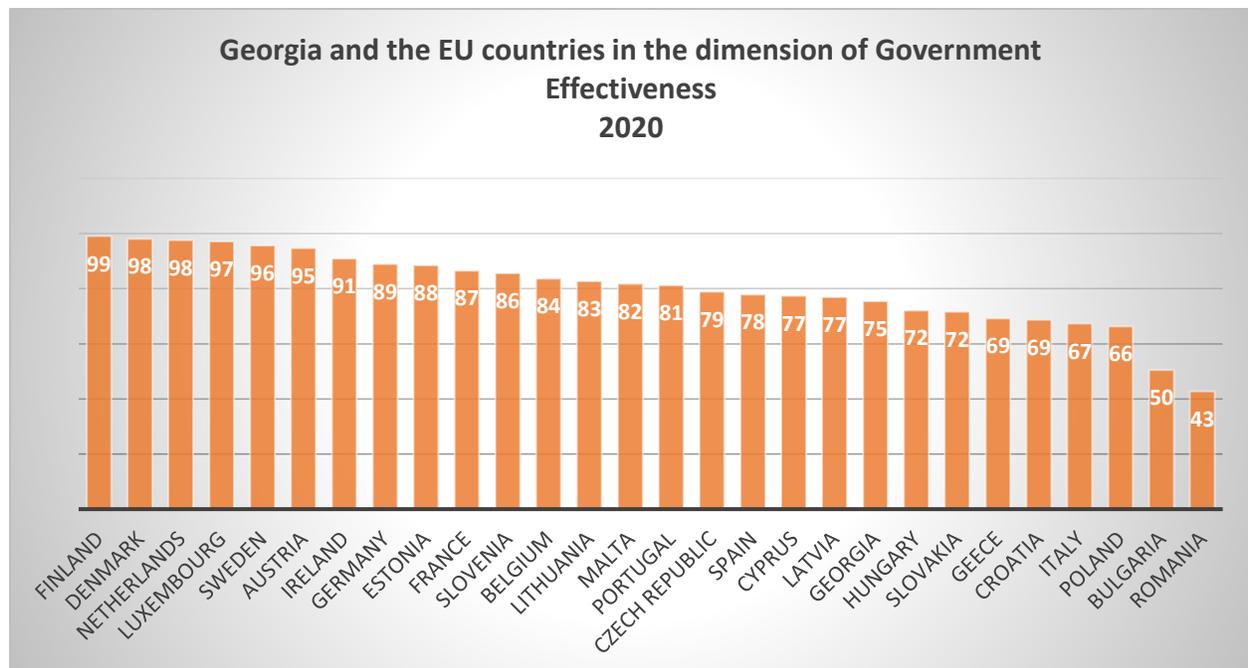
Government Effectiveness

The Dimension of Government effectiveness captures perceptions of the quality of public services, the quality of the civil service and the degree of its independence from political pressures, the quality of policy formulation and implementation, and the credibility of the government's commitment to such policies.

In 2020, Georgia's has the score of 75.48% in Government Effectiveness, which is worsened indicator comparing to 2019 ranking (76.92%) when Georgia received the highest score in this dimension compared to previous years.



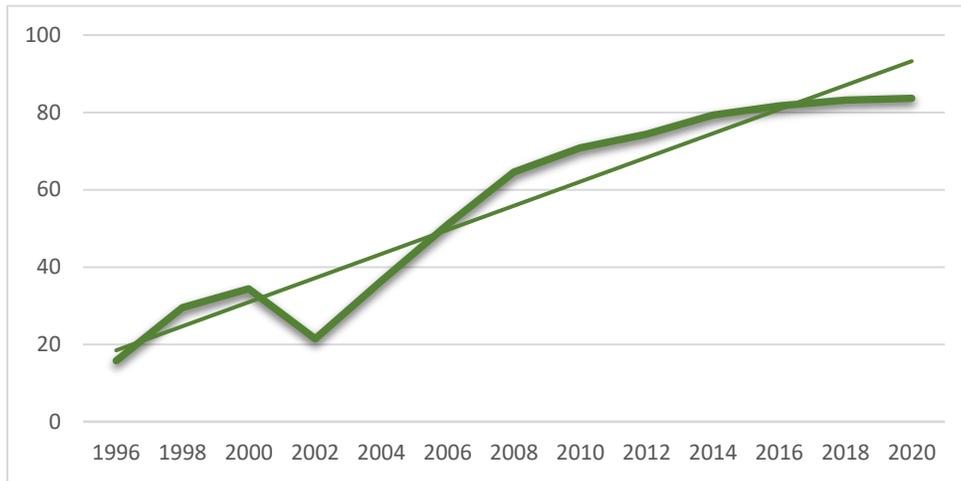
In the area of Government effectiveness Georgia's performance is significantly higher than of the all Eap countries. As for the EU countries, Georgia ranks higher than eight of them: Hungary, Slovakia, Greece, Croatia, Italy, Poland, Bulgaria, Romania.



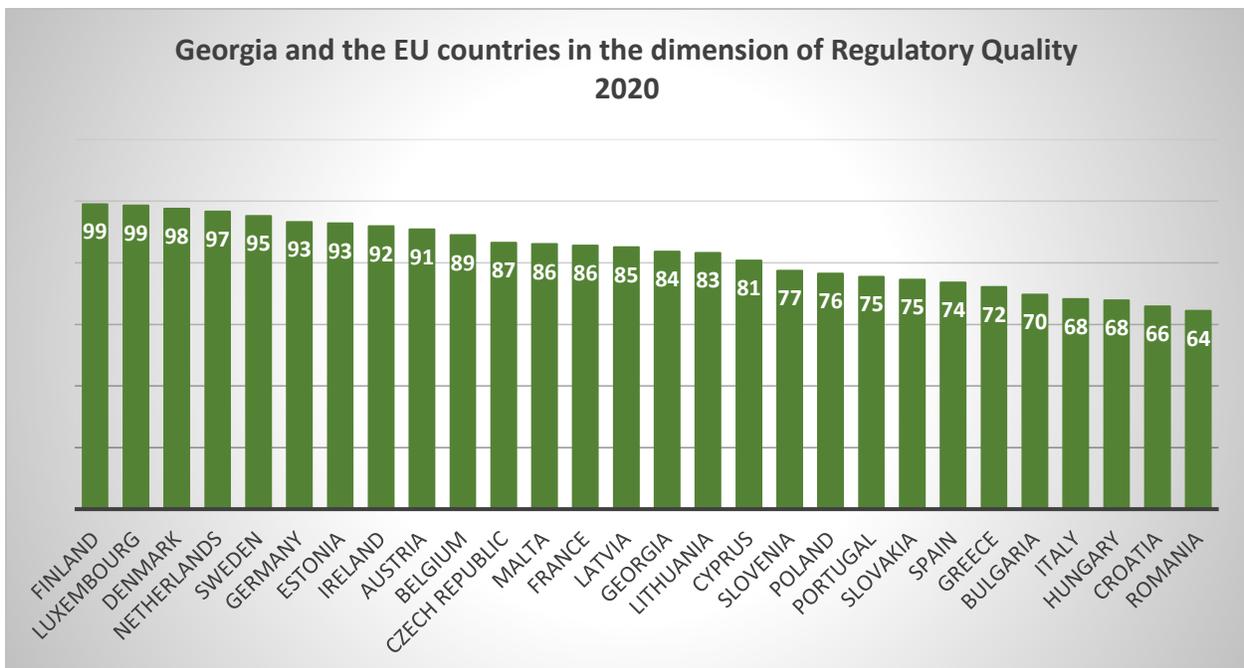
Regulatory Quality

The dimension of Regulatory Quality captures perceptions of the ability of the government to formulate and implement sound policies and regulations that permit and promote private sector development.

Georgia obtained the highest score in Regulatory Quality (83.65%) out of six dimensions assessed, which is also the highest result achieved by Georgia in this direction over the years.



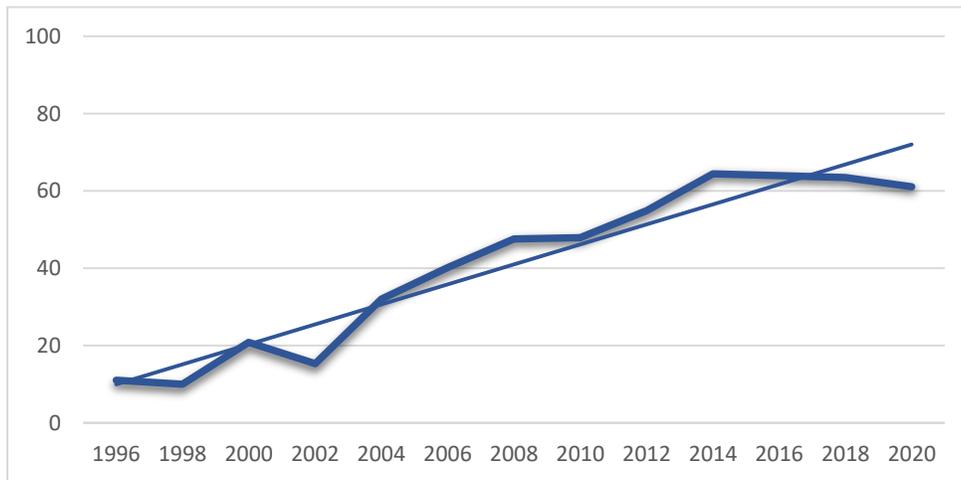
Georgia is a leader in the EaP countries in terms of Regulatory Quality. As for the EU countries, Georgia is on the 15th place like last year.



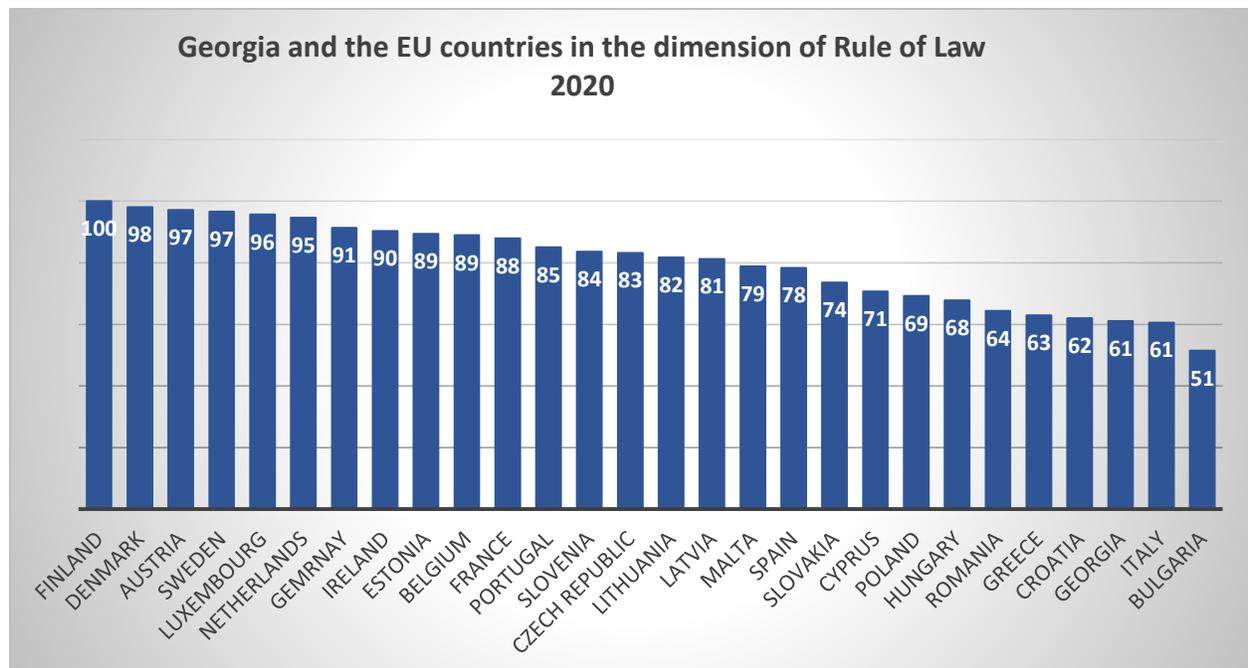
Rule of Law

The dimension of Rule of Law captures perceptions of the extent to which agents have confidence in and abide by the rules of society, and in particular the quality of contract enforcement, property rights, the police, and the courts, as well as the likelihood of crime and violence.

According to the assessment, Georgia's performance in the area of Rule of Law significantly improved in 2013 - 2014, however, the situation has been worsening since then. Although, in 2018 assessment of rule of law in Georgia became a little more positive, however, in 2020 worsened again (61.06%) and the score is lower than the previous year (62.02%), as well as in 2014 (64.42%).



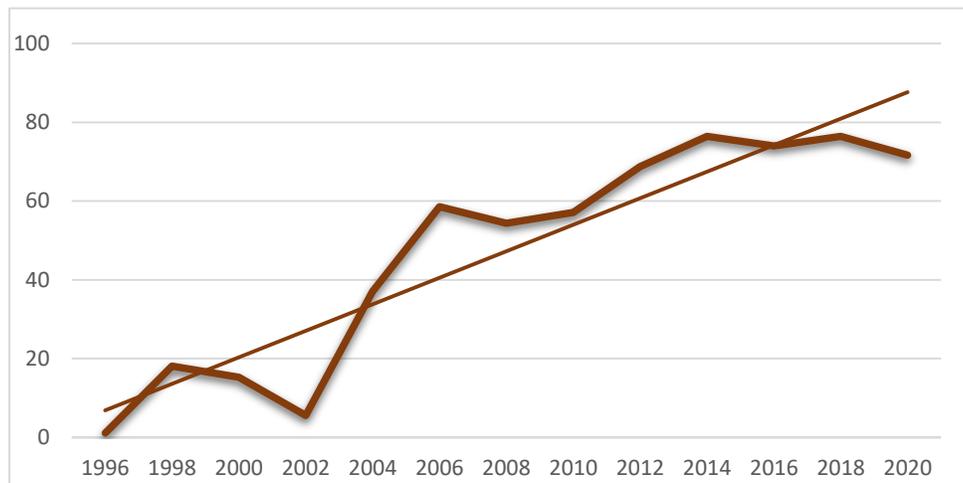
Georgia is a leader among EaP countries in the dimension of Rule of Law, however, the country is deteriorating its own achievements. Among the EU countries Georgia's score is higher than those of Italy and Bulgaria but is much lower than most of the member countries' scores.



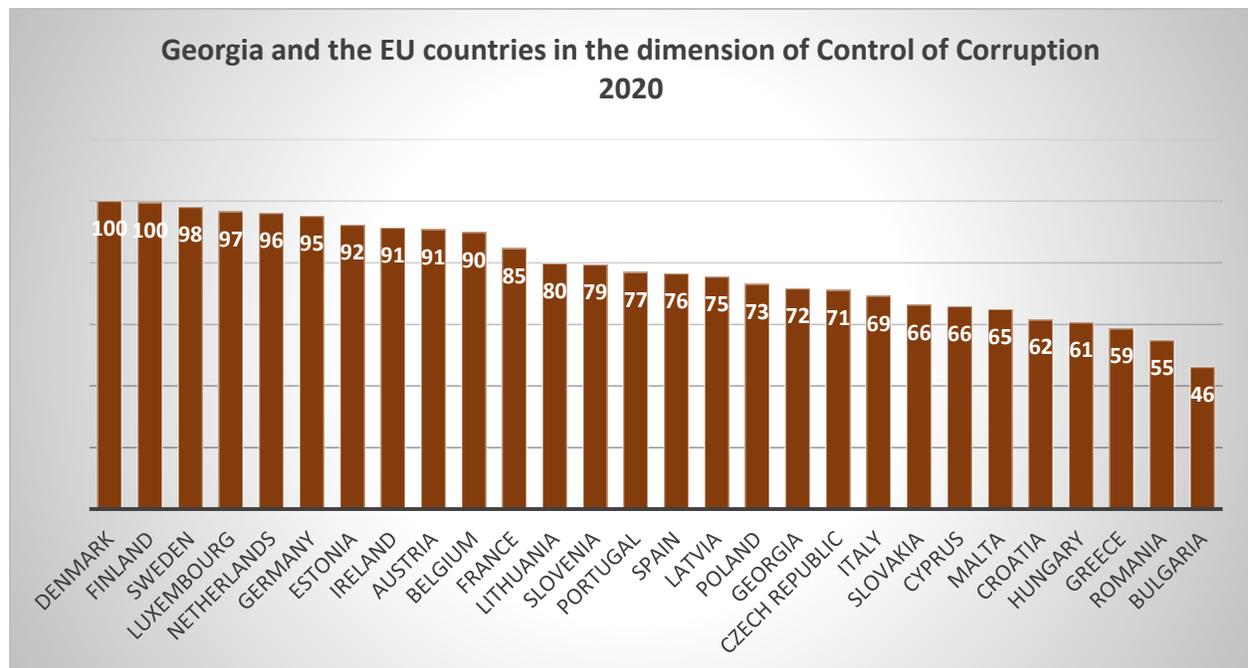
Control of Corruption

The dimension of Control of Corruption captures perceptions of the extent to which public power is exercised for private gain, including both petty and grand forms of corruption, as well as "capture" of the state by elites and private interests.

Control of corruption is on the third place among six dimensions assessed in 2020 – it is preceded by the Regulatory Quality and Government Effectiveness dimensions. In 2020 the ranking of Georgia (71.63%) in this direction worsened compared to the previous year (75%), as well as compared to 2014 (76.44%). The 2020 assessment is the lowest indicator assigned to Georgia in this direction after 2013.



Georgia is a leader among EaP countries in terms of Controlling Corruption and is on the 18th place among the EU countries showing a better result than the countries such as the Czech Republic, Italy, Slovakia, Cyprus, Malta, Croatia and others.



Conclusion

Over the years Georgia has shown significant progress in all of the six dimensions of the Worldwide Governance indicators. Especially interesting is the road that Georgia has went in terms of fighting corruption. However, unfortunately, pace of country's development has slowed down since 2014. In most of the dimensions Georgia has been unable to keep up with the high standards shown in 2014.

In 2020, Georgia obtained the highest score in Regulatory Quality out of six dimensions assessed, which is also the highest result achieved by Georgia in this direction over the years. However, regress is detected in almost all other areas. Georgia's scores are still very low in the dimensions of Voice and Accountability and Political Stability – in 2020, the evaluation of Georgia in the dimension of Voice and Accountability fell below half of the maximum rating; as for the direction of Political Stability, the country constantly has the lowest score in this dimension, which is not even close to half of the maximum rating.

For the purposes of ensuring continuous development of democratic governance in Georgia and bringing it closer to the EU countries, it is crucial to emphasize achieved progress and at the same time internalize the problems identified by the Worldwide Governance Indicators. To address existing challenges IDFI considers it necessary to create an Independent Anti-Corruption Agency equipped with high degree of independence, relevant power and public trust to investigate high-level corruption cases and answer all of the legitimate questions. We hope that the government will take appropriate measures and implement effective reforms that will ensure Georgia's rapid development and be reflected in the future assessments of Worldwide Governance Indicators by the World Bank.