Institute for Development of Freedom of Information



Strategic Plan Georgia 2020 - Strengthening Public

Involvement (ZigB) (2015-2016)

Final Report

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Table of Contents

Introduction	3
Discussion Series	3
The Effects of Depreciation of National Currency on the Georgian Economy	4
Internetization and Broadband Development of Georgia	5
Public Discussion on 2016 Draft Budget	7
Civil Service Reform: Changes and Prospects	9
Universal Healthcare Program – Assessment of the year 2015	10
Lectures	12
Lectures at Ivane Javakhishvili Tbilisi State University	12
Lectures at Ilia State University	13
Lectures at Georgian Institute of Public Affairs (GIPA)	13
Lecture at Samtskhe-Javakheti State University	14
Competition for Analysts	14
Workshop	17
International Forum "Prospects of Georgia's Democratic and Economic Development"	19

Introduction

Institute for Development of Freedom of Information, in partnership with the University of Bremen and with the financial support of the Federal Foreign Office of Germany implemented the project "<u>Strategic Plan Georgia 2020 – Strengthening Public Involvement</u>" between July 10, 2015 and February 10, 2016. The goal of the project was to raise the awareness among civil society groups and to strengthen the understanding of Georgia's socio-economic development strategy "<u>Georgia 2020</u>", to identify problems and to formulate relevant recommendations, existing challenges and the implementation process of the strategy.

"Strategic Plan Georgia 2020 – Strengthening Public Involvement" is the continuation of the project successfully implemented in 2014-2015. Like in the previous project, analysts, civil society activists, Georgian scientists and students, and other groups interested in the implementation process of the strategic plan, participated in the project of 2015-2016.

Various events and activities were held within the scopes of the project, which included supporting activities for analysts; holding five series of lectures in various universities across Georgia (Batumi, Kutaisi, Telavi, Akhaltsikhe, Tbilisi); discussion series about the topics mentioned in the strategic plan Georgia 2020; and a concluding event of the project – International Forum "The Prospects of Georgia's Democratic and Economic Development". The blogpost "Georgia 2020" was created specifically for the project, which was constantly updated in Georgian and English languages. The articles of the analysts participating in the competition for analysts, the reports of various events held within the framework of the project, photo and video album and the media coverage were published on the blog.

Discussion Series

Discussion series continued over the course of five months. The series included five discussions on a number of pressing issues and aimed to engage in the debates the representatives of civil society, civil servants, politicians and other interested parties. The discussion series created a platform for the interested parties to debate the topics discussed in the Social-Economic Development Strategy "Georgia 2020", to assess government's policies and ongoing reforms and to suggest recommendations for achieving the goals outlined in the strategy.

The discussion series were actively covered by the media and engaged politicians, academics, and representatives civil sector and civil society. Each of the discussion was recorded on the video, which is available for wider audiences through the website of IDFI and the organization's YouTube Channel.

The Effects of Depreciation of National Currency on the Georgian Economy

The discussion series started with the discussion "<u>The Effects of Depreciation of National Currency on</u> <u>the Georgian Economy</u>". The discussion was held at Tbilisi Marriott Hotel on September 17, 2015. The speakers for the discussion panel included: Head of the Macroeconomics and Statistics Department of the National Bank of Georgia - Giorgi Barbakadze; Head of the Fiscal Forecasting Department of the Ministry of Finance of Georgia - Nikoloz Gagua; independent experts - Beso Namchavadze and Irakli Dogonadze. The discussion was moderated by the representative of IDFI – Giorgi Khishtovani.

The speakers discussed the causes of the depreciation of Lari and talked about the negative consequences of the depreciation of the national currency in short and mid-term perspective. The panelists stressed the role of external factors affecting the depreciation of Lari. External shocks, such as the drop in oil prices, the conflict between Russia and Ukraine and the reduction in remittances were emphasized.

According to the representative of the National Bank of Georgia, the negative effects of external shocks are already fully reflected in the exchange rate of Georgian Lari and in this respect, further depreciation of the currency is no longer expected. In addition, panelists discussed the inflation rate - predicted its increase up to 7% and the gradual decrease of the indicator by the beginning of 2016.

Independent experts criticised the government's economic policies. For instance, according to Beso Namchavadze, despite signing the Association Agreement with the European Union and the depreciation of national currency against Euro, Georgian economy still lacks competitiveness. The evidence of the lack of competitiveness is the decrease in the volume of exports from Georgia to the EU in the first two quarters of the year 2015, compared to the same period of the previous year.

Invited guests actively participated in the discussion through questions and comments.

Internetization and Broadband Development of Georgia

The <u>second discussion</u> focused on the issues of internetization and broadband development of Georgia. The discussion panel was held in Tbilisi Marriott Hotel on October 9, 2015.

The speakers of the first panel discussion were: Irakli Qashibadze - Chairman of the Georgia's Innovation and Technology Agency (GITA); Ana Nakashidze - Director-General of OpenNet; Marika Sulaberidze - Head of the Strategic Development Unit of the Georgian National Communications Commission; Ucha Seturi - Expert in Media and Telecommunications Law, IDFI; Mikheil Gotoshia - Director of Alter Net. The panel discussion was moderated by the director of the Institute for Development of Freedom of Information – Giorgi Kldiashvili.

Irakli Kashibadze talked about the mission of GITA and underlined the agency's role in the process of internetization of Georgia. According to Kashibadze, one of the priorities of the agency is to ensure the access to high-speed internet in the country. In order to enhance the innovative environment in Georgia, the agency caters for the development of techno parks, innovation laboratories in addition to creating legal and normative base, improving access to finance, developing competitiveness and finally, commercializing innovations and technologies. Irakli Kashibadze talked about the mission of GITA and underlined the agency's role in the process of internetization of Georgia. According to Kashibadze, one of the priorities of the agency is to ensure the access to high-speed internet in the country. In order to enhance the innovative environment in Georgia, the agency caters for the development of techno parks, innovation laboratories in addition to creating legal and normative base, improving access to high-speed internet in the country. In order to enhance the innovative environment in Georgia, the agency caters for the development of techno parks, innovation laboratories in addition to creating legal and normative base, improving access to finance, developing competitiveness and finally, commercializing innovations and technologies.

The General Director of OpenNet, Ana Nakashidze, talked about the newly created organization and its strategy of developing broadband services. The nonprofit governmental organization - OpenNet was established by GITA and the Ministry of Economy and Sustainable Development of Georgia, in order to ensure the development of broadband infrastructure. According to Nakashidze, the strategic aim of the organization is to transform Georgia into the leader of the region in ICT, through effective use of information technologies and the development of broadband services throughout Georgia. Nakashidze highlighted the fact that OpenNet is not an organization that offers services on the retail market by selling internet with the rest of the operators. On the contrary, it is an organization in serving operators, which will provide its services to small, medium-size and big operators. Hence, OpenNet is not attempting to duplicate the existing infrastructure or compete with the existing operators. Nakashidze discussed the principles of OpenNet and pointed out that the organization will respect the principle of third-party access and technological impartiality in the process of developing broadband infrastructure. This will render the infrastructure accessible to all parties and stakeholders and will allow potential users to utilise resources in a limitless manner. Developing the broadband infrastructure is planned only in those regions where the infrastructure has not yet been developed and aims to provide the end users with desired services and choice of suppliers.

The representative of the Georgian National Communications Commission, Marika Sulaberidze, talked about the activities promoting the development of electronic communication infrastructure. The development of wireless broadband services and e-communication infrastructure were named as activities furthering the spread of broadband internet services. According to Sulaberidze, in this regard Directive 2014/61/EU of the European Commission (EU Commission) serves as the principal guiding legal document. While discussing the challenges related to the development of infrastructure, Sulaberidze pointed out the problems of definition, regulation, permits, registration and protection. As told by Sulaberidze, in order to resolve these issues, the organization refers to Directive 2002/21/EC of the EU Commission and the European regulatory model of e-communication.

IDFI's expert in Media and Telecommunications Law, Ucha Seturi, discussed the process and caveats of internetization and broadband development in Georgia. According to Seturi, the planning of such process in developed countries includes evaluation of existing problems, as well as estimating the longterm and medium-term needs of public and private sectors, while at the same time assessing the capacities and perspectives of the end users and the suppliers. The representative of IDFI also introduced the audience the recommendation prepared by the organization.

Director of Alter Net, Mikheil Gotoshia, pointed out to the lack of a clear strategy in OpenNet's project. The issue of tariffs, lack of population in the regions that can afford the services and variation in prices for different operators were also named as the main problems.

The second part of the discussion addressed the issue of development of state e-services. The first speaker, the founder of the "Internet Development Initiative", Vladimer Svanadze, discussed the challenges of cyber-security in Georgia. The panel was moderated by the chairman of IDFI – Levan Avalishvili. The speakers of the second panel discussion were: Vladimer Svanadze - Founder of the "Internet Development Initiative"; Mikheil Janiashvili - Head of the Information Technologies Department of the Ministry of Health, Labour and Social Affairs of Georgia; Giga Paichadze - Head of the Department of Electronic Governance of the Government of Georgia.

The founder of the "Internet Development Initiative", Vladimer Svanadze, discussed the challenges of cyber-security in Georgia.Banking and financial sectors, stock markets, nuclear plants, supply and cleaning systems, personal information and e-service databases were named among the most vulnerable sectors.

The head of Department of Information Technologies of the Ministry of Labour, Health and Social Affairs - Mikheil Janiashvili talked about the information systems in the ministry and discussed the plans for developing the electronic services of the organization.

The head of the Department of Electronic Governance of the Government of Georgia - Giga Paichadze talked about the functions and future plans of the organization. According to Paichadze, the department is responsible for coordinating the process at the strategic level and formulating future strategies and plans. As Paichadze explained, the department's strategy will include parts of the strategies from other entities, in particular the strategy on public governance reform and the principles of "Innovative Georgia 2020". The head of the Department of Electronic Governance also introduced a newly established consultancy council.

At the end of the discussion, the speakers were given the possibility to make final remarks, which were followed by a Q&A session from the audience.

Public Discussion on 2016 Draft Budget

The <u>third event</u> in the series of discussion was the 2016 draft budget. The discussion was held on October 27, 2015 in Tbilisi Marriott Hotel. The speakers of the discussion were: The head of the Budgetary Department of the Ministry of Finance of Georgia – Ekaterine Guntsadze; The head of the Parliamentary Budget Office - Tatia Khetaguri; the representative of "Free Democrats" party - Davit Onoprishvili; Economist and professor of University of Caucasus and University of Georgia - Akaki Tsomaia; Economist - Lasha Arevadze.

Ekaterine Guntsadze discussed 2016 draft budget and talked about its main parameters. According to Guntsadze, the draft budget of 2016 is based on 3% GDP growth and 4.5% inflation rate. State debt and the ratio of budgetary deficit to GDP is 42.8% and 3.0% respectively. 78.4% of the income comes from taxes, while 10.8% come from credits. According to Guntsadze, the major spending entity is the Ministry of Labour, Health and Social Affairs of Georgia, whose budget makes up 34% (3,07 bln GEL) of the state budget. Guntsadze also discussed the budget of other ministries according to the 2016 draft

budget and introduced the comparison of the budget of these ministries to the indicators of 2015 state budget.

Tatia Khetaguri briefly discussed the mission of the Parliamentary Budget Office (PBO) and talked about the PBO's assessment of the draft budget. While discussing fiscal risks, Khetaguri elaborated on the analysis and probable scenarios of the 2016 draft budget of the Parliament's Budgetary Office. Khetaguri also mentioned that the amount of tax revenues indicated in the analysis of the parliamentary budget office (7,940 mln GEL) exceeds the proposed indicator of the 2016 draft budget by 2.1%, that is by 160 mln GEL. According to Khetaguri, such discrepancy is due to methodological differences and particularities, which translates into increase in corporate income tax (increase by 16,1%) and value added tax (increase by 2,4%).

The representative of the political party "Free Democrats" - Davit Onoprishvili, criticised the proposed 2016 draft budget and pointed out that the government does not intend to fulfill the reforms necessary for achieving the promised 4-5% economic growth rate. He also assessed implementation process of the social-economic development strategy "Georgia 2020" and said that considering the depreciation of GEL, low rate of economic growth (around 3%), achieving the goals set by the government will become problematic.

Akaki Tsomaia discussed the parameters of budgets of 2015 and 2016 and highlighted that similar to previous year, this year's budget is also focused on social and educational expenditures. According to Tsomaia's assessments, the proposed draft budget does not focus on economic growth as "free healthcare, education and social services are incompatible with economic growth". Tsomaia also assessed the efficiency of budget expenditures and discussed the so-called "squandered" budget resources. According to Tsomaia, it is difficult to find an appropriate strategy in the proposed budget, which would make it possible to determine the costs of specific activities and their corresponding yield. Among the squandered resources, Tsomaia mentioned long-term credit (640 mln GEL), universal healthcare (800 mln GEL), programmes for higher education (174 mln GEL), preferential agro-credits (50 mln GEL), activities aimed at supporting vintage (25 mln GEL).

After the presentations, the discussion continued with a Q&A session, during which the invited guests had the possibility to engage in the discussion with their questions and remarks.

Civil Service Reform: Changes and Prospects

The fourth discussion "<u>Civil Service Reform: Changes and Prospects</u>" was held on November 27, 2015. The first panel discussion the speakers discussed the Civil Service Reform and its main features. The panel discussion was moderated by the director of IDFI – Giorgi Kldiashvili. The speakers were: Maia Dvalishvili – the Deputy Head of the Public Service Bureau; Khatuna Gogorishvili – Member of the Parliament, "United National Movement"; Nino Dolidze – The head of the public policy program, Georgian Institute of Public Affairs (GIPA).

The Deputy Head of the Public Service Bureau – Maia Dvalishvili talked about the concept of the reform, the process of its formulation and the changes in the law, which will come into force from January 2017. According to Dvalishvili, existing challenges were identified during the formulation of the concept, that determined the necessity of drafting the new law and Georgian and foreign experts, as well as the representatives of non-governmental organizations were involved in the working process.

Khatuna Gogorishvili talked about the negative sides of the new law and discussed necessary amendments. According to her, despite the fact that the law is based on the principles of professional civil service, under the new law the competition will be closed for professionals working outside the civil service sector. She also discussed the mechanisms for providing stability to civil servants and stated that the new law does not provide any of these guarantees. According to Gogorishvili, the regulations necessary for the stable civil service reform, are outside the framework of the new law, and will only be based on the government's respective decisions. This practice increases the risk that the regulations for stable civil service will be determined according to the good will of the members of the government.

Nino Dolidze assessed the new law positively. According to her, the major advantage of the law is the implementation of professional civil service model, since this model enables the protection of the principle of competitiveness. Dolidze also noted that the biggest disadvantage of the new civil service law is the procedure of appointing civil servants, which makes the civil service unattractive for many of the professionals outside the field. Dolidze stated, that it is vital to make the civil service accessible to professionals outside sector, to make the process transparent, open and politically neutral – the problem which is still unresolved.

The speakers discussed the tendencies for growing bureaucracy and the issue of its effectiveness during the second panel of the discussion. The discussion was moderated by the chairman of IDFI – Levan Alavishvili. The speakers of the discussion were: Levan Alapishvili – Lawyer, The Center for Strategic

Research and Development of Georgia; Aleksandre Elisashvili – Deputy of the Tbilisi City Council; Iago Khvichia – Lawyer, Founder of the New Political Center "Girchi".

Levan Alapishvili - the head of the program supporting self-governance, talked about the interdependence of budget and the effectiveness of bureaucracy. According to him, there is no functioning program budget, having a significant effect on the growth of bureaucracy and problems related to governance. Alapishvili emphasized the lack of standards of program budget and stated that this deficiency is especially apparent in incase of effective functioning of self-governing entities.

Alexandre Elisashvili – the deputy of the Tbilisi City Council talked about the growing staff list in the Tbilisi City Council and Tbilisi City Hall and discussed the ineffectiveness of the bureaucracy in these establishments. According to him, one of the problems is the citizens' inactivity and the lack of interest toward the working process of the legislative and executive branch. The lack of civil involvement delays the full implementation of the civil service reform, noted Elisashvili.

The founder of the New Political Center "Girchi" – Iago Khvihia emphasized the advantages of the small government and noted that regulations in the new civil service law further complicates the implementation processs of the Civil Service Reform. According to him, the problem is the lack of political will, and the enforcement of the law will not have any significant effects unless the approach is changed. As Khvichia noted, the way out of the situation is decreasing the size of bureaucracy, which now costs the state approximately 1/3 of the income.

Universal Healthcare Program – Assessment of the year 2015

The <u>last discussion</u> from the discussion series focused on the universal healthcare system in Georgia. The discussion was held on January 21, 2016 in Tbilisi Marriott Hotel. The speakers of the discussion were: Tengiz Verulava - Doctor of Medicine, Professor at Ilia State University and Zurab Tchiaberashvili – member of United National Movement (UNM) participated as speakers of the panel. Maia Maghlakelidze – Head of Universal Health Care Management Department of the Social Service Agency was also invited as a speaker of the panel. Unfortunately, despite the initial acceptance of the invitation, Ms. Maghlakelildze did not attend the event. The discussion was moderated by the representative of IDFI – Giorgi Khishtovani.

The speakers discussed the universal healthcare program, talked about its main characteristics and assessed the year 2015.

Mr. Tchiaberashvili talked about the importance of access to information, which is crucial for assessing the healthcare program comprehensively. According to Mr. Tchiaberashvili, the National Healthcare Account (NHA) has not been published since 2013, which indicates the total expenditure on health as a percentage of the Gross Domestic Product (GDP) and the share of state expenditure in total expenditure on health. As highlighted by Tchiaberashvili, such information sheds light on the real situation in healthcare and is necessary to discern the reality. Additionally, the NHA can be used as a comparison tool with other countries and their respective healthcare systems. In order to assess the results of the universal healthcare program, information on geographic area of healthcare expenditures, reasons for the increase in consumption of healthcare services, as well as the situation in healthcare insurance beyond the universal healthcare program are required. Tchiaberashvili also discussed the statistic data of private expenditures on health and noted that in comparison with data from 2010, in 2014 the situation deteriorated for the most vulnerable and the poorest part of the society. As a recommendation, Tchiaberashvili proposed moderate and calculated increase in healthcare expenditures, as well as target-based approach towards healthcare.

While evaluating the results of universal healthcare program, Tengiz Verulava noted that despite the growth in state healthcare financing, Georgia still lags behind not only the threshold recommended by the WHO, but also the indicators of low-income, poor states. Verulava also discussed the positive trends of the healthcare sector and noted that Hepatitis C treatment program and introduction of prescriptions were positive developments. Development of state-private partnership organizations on the healthcare market, increase in use of ambulatory medical institutions among the public, increase in state expenditure on healthcare and role of primary healthcare were also named as positive developments. In terms of existing problems in the system, the panelist pointed out the increase in prices on drugs and medical services, lack of finances for drug acquisition, insufficient development of primary healthcare, lack of involvement of private insurance companies, lack of use of cost-effectiveness analysis when choosing medical services to be included in the program, lack of quality and inexistence of cost-containment mechanisms. While proposing recommendations, Verulava highlighted the importance of including drugs in the program, especially for chronically diseased. Development of different forms of ownership of medical organizations, as well as more involvement of private insurance companies were also named as priorities. The panelist also noted that patient co-financing of healthcare expenditures, use of cost-effectiveness analysis while choosing medical services and increasing the quality of medical services should be on the agenda.

Lectures

One of the important aspects of the project was to organize series of lectures in various educational institutions around Georgia. 7 lectures were organized within the framework of the project in Ivane Javakhishvili Tbilisi State University (TSU), Ilia State University, Georgian Institute of Public Affairs (GIPA), Samtskhe-Javakheti State University, Akaki Tsereteli State University and the International Black Sea University (IBSU). The aim of the lectures was to raise awareness about social-economic challenges and perspectives of Georgia among students.

Lectures at Ivane Javakhishvili Tbilisi State University

On November 9-10, IDFI organized a lecture "Accounting and Investments" at Ivane Javakhishvili Tbilisi State University. The courses were led by a researcher from the University of Bremen – **Sebastien A. Tideman**. During the lecutres, the researcher discussed the International Financial Reporting Standards (IFRS), the advantages as well as the shortcomings of adopting the standards. Sebastien Tideman also discussed the benefits and particularities of Foreign Direct Investments (FDI), as well as its importance vis-à-vis the economic development of the country. The researcher also explained the specificities and importance of Business Analysis and Financial Analysis. The German researcher shared the experience of introducing IFRS standards around the world and over 30 students discussed several case-studies regarding business and financial analysis.

After the two-day session, the students participating in the course received joint certificates from IDFI, Bremen University and TSU. Furthermore, active students were rewarded with textbooks as a complimentary gift.

On December 15-18, IDFI organized series of lectures "<u>Informal Economy: Diagnosis and Remedies</u>" at TSU, headed by **Lela Rekhviashvili** – Researcher of Central European University (**CEU, Budapest**). With the students, Lela Rekhviashvili discussed the concept of informal economy, the differences between formal and informal economies and elaborated on the different forms of informal economy. Socially acceptable and unacceptable behavior and practices in Georgia, their respective role in the development of informal economy were also discussed. After four-day lecturing course, the students were awarded with joint certificates from IDFI, University of Bremen and TSU. Furthermore, the students had the opportunity to write a blog article around the theme of the course and win Kindle.

Lectures at Ilia State University

On December 1-4, IDFI organized series of lectures "<u>Regulating Capital Market in Georgia –</u> <u>Transformation and Sustainability</u>" at Ilia State University.

The courses were led by **Nikoloz Koiava** - researcher from University of Bremen. During the lecutres, the researcher discussed the importance of capital markets and the necessity of its regulation. Koiava emphasized the significance of capital markets for states in transition and talked about the informational asymmetry, as one of the main issues prompting the regulatory intervention. Koiava also analyzed the relationship between financial reporting and market reaction and introduced the model of institutional arrangement of capital markets.

After the four-day session, the students participating in the course received joint certificates from IDFI, University of Bremen and Ilia State University. Furthermore, active students were rewarded with textbooks as a complimentary gift.

Lectures at Georgian Institute of Public Affairs (GIPA)

On 15, 18, 22 and 25 December, IDFI organized series of lectures "<u>Good Governance in Georgia</u>", led by Levan Avalishvili – Chairman of the Board of IDFI, at GIPA.

The aim of the series of lectures was to discuss the current state and latest trends in development of good governance, reforms and initiatives regarding public administration in Georgia, mechanisms and challenges of promoting good governance, based on the analysis of international best practice. During the lectures, the Chairman if IDFI spoke about the policy and practice of access to public information in Georgia, as well as Electronic Governance and the importance of information technologies in this regard.

After four-day lecturing course, the students were awarded with joint certificates from IDFI, University of Bremen and GIPA. Furthermore, the participant students had the opportunity to write a blog article around the theme of the course and win Kindle and scientific literature translated to Georgian.

Lecture at Samtskhe-Javakheti State University

On January 21st, IDFI organized the lecture "<u>Georgia 2020 – Regulating Competition in</u> <u>Telecommunication Field</u>" at Samtskhe-Javakheti State University. The course was led by **Ucha Seturi** – Expert in Media and Telecomunications Law of IDFI and **Saba Buadze** – Project Coordinator at IDFI. The aim of the course was to analyze the strategic significance of the Social-Economic Development

Plan – Georgia 2020, as well as discussing the regulatory particularities of competition in the telecommunication field.

Similar lectures were held in <u>IBSU</u> (February 8) and <u>Akaki Tsereteli State University</u> (February 27). After the lectures, the students were awarded with joint certificates from IDFI, University of Bremen and respective Georgian Universities.

Competition for Analysts

A competition for analysts was held within the framework of the project, which aimed to support researchers interested in social-economic matters, as well as raising awareness about the social-economic development strategy of Georgia among the public.

Participants of the competition had the possibility to write analytical articles about areas of their interest, which were compatible with the subject-matter of "Strategy 2020". The articles were being published on the organization's website, as well as Facebook page.

The competition was divided into 2 parts. The first part involved giving the best 4 writers a monthly stipend. The participants of this part of the competition agreed to fulfill an obligation of writing 6 articles in the period of 5 months, which would be published on the organization's website, as well as Facebook page.

Initially 13 analysts were chosen to determine 4 winners of this part of the competition. The 4 analysts chosen were:

- Lasha Arevadze
- Tamar Charkviani
- Tengiz Verulava
- Demna Devdariani

The second part of the competition involved awarding the best author (among the initial 13) with prize money. Besides the 4 winners of the first part of the competition, out of the 13 initial analysts, **Davit Gochava** participated in the second part.

Lasha Arevadze

Throughout the competition, Lasha Arevadze wrote analytical articles about economic development of Georgia, the state of financial institutions, fiscal policy of Georgia and the challenges that Georgia, as well as "Strategy 2020" faces. The analyst wrote the following articles within the framework of the project:

- 1. "BDD 2016-2019: Dividing a Small Cake"
- 2. "What is Inclusive Growth?"
- 3. "Small Farmer Assistance Program: Big Money, Small Results"
- 4. "Assessing the Sustainability of Georgia's Fiscal Policy"
- 5. "Georgia's Problems of Exports and Export Promotion Activities"
- 6. "How Efficient Are Free Faculties"

Tamar Charkviani

Throughout the competition, Tamar Charkviani wrote analytical articles about the existing problems and challenges in the civil service sector. The analyst wrote the following articles within the framework of the project:

- 1. "What's the Use of Appealing?!"
- 2. "State Employment Portal Worknet vs. Problem of Unemployment"
- 3. "Civil Service Recruitment Policy: Does www.hr.gov.ge give everyone an equal opportunity?"
- 4. "Mechanisms for Career Advancement in Civil Service: Meritocracy vs Cronyism"
- 5. "System of Bonus-Payment and a Neutral Civil Service?!"
- 6. "Analysis of the Process of Decision-Making in Civil Service (Before and After 2012 Elections)"

Demna Devdariani

Throughout the competition, Demna Devdariani wrote analytical articles about the pension system reform and the civil service reform in Georgia. The analyst wrote the following articles within the framework of the project:

- 1. "World Models of Pension Schemes and Georgia"
- 2. "Analysis of the Pension System Reform"
- 3. "Analysis of the Accumulative Pensions System Reform"
- 4. "Analysis of Civil Service Reform in Georgia"
- "Analysis of Civil Service Reform in Georgia To What Extent Does the Reform Live Up To Expectations?"
- 6. "Analysis of the Concept of the Civil Service Reform"

Tengiz Verulava

Throughout the competition, Tengiz Verulava wrote analytical articles about the healthcare system in Georgia, current trends and perspectives. The analyst wrote the following articles within the framework of the project:

- "Healthcare costs in line with the recommendations of the World Health Organization and the funding of Georgia's healthcare system"
- 2. "Forms of Ownership of Medical Organizations, World Practice and Georgia"
- 3. "Healthcare Cost Containment Mechanisms and Georgia's Healthcare System"
- 4. "Is Medical Market a Regular Market?"
- 5. "Problems of Developing Primary Healthcare in Georgia"
- 6. "Managed Competition in Healthcare and Reforms in Georgia"

Davit Gochava

Throughout the competition, Davit Gochava wrote analytical articles about the problems and challenges in the railway sector of Georgia. The analyst wrote the following articles within the framework of the project:

- "Prerequisites of Implementing 8 Directives and Regulations By "Georgian Railways" Included in the Association Agreement"
- 2. "Efficiency of Logistics System and Georgia"
- 3. "Regulatory Bodies in Railway Sector"

IDFI organized the concluding event of the project "Strategic Plan Georgia 2020 - Strengthening Public Involvement" on February 9, 2016.

The winners of the competition for analysts were announced during the closing ceremony of the project. **Tengiz Verulava** - Doctor of Medicine and the Professor at Ilia State University was named as the winner of the competition for analysts and received 2000 EUR as an award.

Workshop

On September 25-27, IDFI organized a workshop at Lopota Lake Resort for the contestants participating in the competition for analysts. The workshop had several goals:

- Organizing a meeting between the contestants and experts who work on priority areas of the "Strategy 2020"
- Providing information for the contestants on their fields of interest from the strategic document

The subjects for the discussion panels of the workshop were chosen in accordance with the 3 principal problems discussed in the Strategy 2020:

- Competitiveness of the private sector
- Development of human resources

• Access to finance

The topic of the first day of discussions was – Access to finance in Georgia. The speakers of the discussion panel were representatives of the Pension Reform Unit of the Ministry of Economy and Sustainable Development- **Otar Dzidzikashvili** (Head of Pension Reform Unit) and **Irakli Burchuladze** (Deputy-Head of the Pension Reform Unit); representative of the Ministry of Finance of Georgia – **Merab Narmania**; Founder and Executive Director of the brokerage firm "Caucasus Capital" – **Giorgi Loladze**.

The representatives of the Pension Reform Unit talked about the necessity of reforming the existing pension system and discussed the appropriate accumulative pension models for Georgia.

George Loladze – the founder and the CEO of the brokerage firm "Caucasus Capital" discussed the facilitating and obstructive factors for the development of capital market in Georgia. Loladze identified the creation of polycentric financial system instead of bank-centric one, provision of equal conditions for banking system and capital markets, minimizing the number of representatives of the competitive field in the formulation of capital market policy and the creation of independent regulatory body, as the main factors in reforming the capital market in Georgia.

Merab Narmania – the representative of the Ministry of Finance of Georgia, discussed the Deposit Insurance Scheme. Mr. Narmania explained the two existing models of Deposit Insurance Scheme – paybox and the risk minimizer to the contestants.

Competitiveness of the private sector and the development of human capital were the topics of the second day of discussion. The speakers on the competitiveness of the private sector were the representatives of Georgian Innovation and Technology Agency (GITA) – **Ana Berishvili** and **Mariam Lashkhi**, the representative of Enterprise Georgia – **Tatia Bidzinashvili**, and the representative of Competition Agency – **Irine Chikhladze**. **Nino Agashenashvili**, representative of Social Service Agency and the head of an NGO "School Research Center" and a researcher – **Mukhran Guliashvili** talked about the development of human resources.

On the last day of the workshop, the contestants met the representative of the "New Political Center", **Zurab Japaridze**. Japaridze discussed the problems of the implementation of the strategy, due to current economic hardship. Additionally, on the last day of workshop, the participants presented their research and analytical works. After the presentations, participants discussed the issues, research methods and designs and recommendations of the works presented.

International Forum "Prospects of Georgia's Democratic and Economic Development"

The concluding event of the project "Strategic Plan Georgia 2020 – Strengthening Public Involvement" was held in Courtyard Marriott Tbilisi on February 1 and 2, 2016. The concluding event was an international forum "Prospects of Georgia's Democratic and Economic Development".

The Forum aimed to bring together and create a platform for dialogue for politicians, diplomats, academics, experts and representatives of civil society. The main goal of the Forum was to assess the process of democratic and economic development of Georgia and to analyze the challenges in this regard.

Prime Minister of Georgia – Giorgi Kvirikashvili and Director of IDFI – Giorgi Kldiashvili <u>opened</u> the Forum. In his speech Giorgi Kldiashvili pointed out the goals of the forum and stressed the importance of similar meetings, where members of the government, diplomatic corps and representatives of the civil society can discuss challenges and perspectives for Georgia's development. In his speech, Giorgi Kvirikashvili elaborated on the challenges facing Georgia, and discussed the country's economic and political achievements. Prime Minister noted that the government is open and transparent in its actions and added that participation of different branches of the government, civil society organizations and experts is necessary during the elaboration of government policies. Giorgi Kvirikashvili highlighted the importance of Georgia's Euro-Atlantic choice and discussed the significance of the Association Agreement signed between the European Union and Georgia.

Ambassador of the European Union to Georgia – Janos Herman and German Ambassador Extraordinary and Plenipotentiary to Georgia – Bettina Cadenbach also participated in the opening ceremony of the Forum. Janos Herman talked about the role of economic development in the democratic development of Georgia, discussed the challenges in this regard and expressed hope that the ongoing economic reforms will further contribute to improving competitiveness and better business environment in the country.

German Ambassador Extraordinary and Plenipotentiary to Georgia – Bettina Cadenbach introduced the project "Strategic Plan Georgia 2020 – Strengthening Public Involvement" to the invited guests of

the Forum and discussed the significance of the projects aimed at increasing civil society involvement in Eastern Partnership Countries.

After the opening ceremony started the first panel discussion "Georgia's European and Euro-Atlantic <u>Aspiration</u>". The Minister of Foreign Affairs of Georgia – Mikheil Janelidze, State Minister of Georgia on European and Euro-Atlantic Aspirations – David Bakradze, German Ambassador Extraordinary and Plenipotentiary to Georgia – Bettina Cadenbach, Senior Research Fellow at the Center for European Policy Studies (CEPS) – Michael Emerson and Director of Georgian Center for Security and Development (GCSD) – Levan Dolidze participated in the panel discussion. The panel discussion that focused on the process and challenges of Georgia's integration in NATO and the European Union, was moderated by the expert on defense and foreign policy issues – Mikheil Darchiashvili. After the <u>speeches</u>, the discussion continued with a Q&A session with the invited guests of the forum.

The <u>second panel discussion</u> of the first day of the forum focused on the main areas of EU-Georgia partnership. Deputy Foreign Minister of Georgia – Gigi Gigiadze, External Energy Policy Officer of the European Commission (DG Energy) – Federico Tarantini, and EU Integration Program Manager at Open Society – Georgia Foundation participated in the panel discussion. The discussion was moderated by Kakha Gogolashvili – Senior Fellow and Director of EU Studies at Georgian Foundation for Strategic and International Studies (GFSIS). Speakers and the invited guests of the forum discussed the challenges to the implementation process of Deep and Comprehensive Free Trade Agreement, negotiations on Georgia's accession to the Energy Community and EU-Georgia visa liberalization dialogue.

The second day of the forum focused on the discussion of Georgia's democratic and <u>economic</u> <u>development</u>. Current economic situation of Georgia was discussed by Alexi Alexishvili – Chairman and CEO of Policy and Management Consulting Group (PMCG), Jochen Zimmermann – Dean at the University of Bremen, Yaroslava Babych – Academic director of Policy Institute of International School of Economics at Tbilisi State University (ISET) and Andrei Illarionov – Senior Fellow at CATO Institute. The panel discussion was moderated by the rector of Ivane Javakhishvili Tbilisi State University – Vladimer Papava. The speakers discussed the challenges and prospects of Georgia's economic development and assessed the reforms in this regard.

The main theme of the last panel discussion was Georgia's <u>democratic development</u>. UN Resident Coordinator/UNDP Resident Representative in Georgia – Niels Scott; Chairmen of the Caucasus Institute for Peace, Democracy and Development (CIPDD) – Ghia Nodia; Specialist in political developments and expert on US-Georgia relations – Lincoln Mitchell and Associate Scholar at the Foreign Policy Research Institute – Michael Hikari Cecire participated in the panel discussion. The speakers discussed the development of institutions in Georgia, internal and external factors effecting Georgian democracy and the issues of transparent, open and good governance. The panel discussion was moderated by the director of Institute for Development of Freedom of Information (IDFI) – Giorgi Kldiashvili.