

ANNEX 1 TO FINANCING AGREEMENT ENI/2017/040-319

TECHNICAL AND ADMINISTRATIVE PROVISIONS

1. Title/basic act/ CRIS number	Skills Development and Matching for Labour Market Needs CRIS number: ENI/2017/040-319 financed under European Neighbourhood Instrument
2. Zone benefiting from the action/location	Georgia The action shall be carried out at the following location: country wide
3. Programming document	Single Support Framework for EU support to Georgia 2017-2020
4. SDGs	4.3, 4.4, 4.5; 5; 8
5. Sector of intervention/ thematic area	Economic development and market opportunities; Mobility and people-to-people contacts
6. Amounts concerned	Total estimated cost: EUR 50 850 000 Total amount of EU budget contribution EUR 48 850 000 of which <ul style="list-style-type: none">- EUR 30 000 000 for budget support- EUR 15 100 000 for complementary support;- EUR 3 750 000 for specific actions in Georgia's breakaway region of Abkhazia This action is co-financed by potential grant beneficiaries for an indicative amount of EUR 2 000 000
7. Aid modality(ies) and implementation modality(ies)	Budget Support Direct management: <ul style="list-style-type: none">- budget support: sector reform contract- grants: calls for proposals and direct award- procurement of services Indirect management with the United Nations Development Programme (UNDP)
8. DAC code(s)	Main DAC code – 11110 - Education policy and administrative management Sub-code 1- 11330 - Vocational Education and Training Sub-code 2- 16020 - Employment Policy and Administrative Management
b) Main Delivery	UNDP - 11330

Channel				
9. Markers (from CRIS DAC form)	General policy objective	Not targeted	Significant objective	Main objective
	Participation development/good governance	<input type="checkbox"/>	<input type="checkbox"/>	X
	Aid to environment	X	<input type="checkbox"/>	<input type="checkbox"/>
	Gender equality (including Women In Development)	<input type="checkbox"/>	X	<input type="checkbox"/>
	Trade Development	X	<input type="checkbox"/>	<input type="checkbox"/>
	Reproductive, Maternal, New born and child health	<input type="checkbox"/>	X	<input type="checkbox"/>
	RIO Convention markers	Not targeted	Significant objective	Main objective
	Biological diversity	X	<input type="checkbox"/>	<input type="checkbox"/>
	Combat desertification	X	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation	X	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation	X	<input type="checkbox"/>	<input type="checkbox"/>
10. Global Public Goods and Challenges (GPGC) thematic flagships	N/A			

SUMMARY

The need for better matching of skills with labour market demands, as well as for a coherent and better quality skills development system, are identified as key bottlenecks hindering Georgia's competitiveness and economic development. There is evidence on limited opportunities for lifelong learning (LLL), vocational education and training (VET) and employment support services in Georgia, especially in the regions. Both a holistic vision of education linking all levels and types of education as well as active intermediation and matching between labour supply (education/training and LLL) and labour demand (economic/private sector development) are missing, also aggravated by the lack of well-functioning skills anticipation and matching mechanisms.

In line with the 2015 review of the European Neighbourhood Policy (ENP) and the "Eastern Partnership (EaP) 20 Deliverables for 2020", the programme will contribute to the implementation of the two specific objectives of the new Single Support Framework for EU Support to Georgia (SSF 2017-2020): Sectors 1 (economic development and market opportunities) and 4 (mobility and people-to-people contacts). Notably it will contribute to sustainable and inclusive growth and resilience by developing human capital and skills sets and by strengthening coordination between the education system and the labour market. The specific objective of the programme is to improve the employability of women and men in the selected regions which are (apart from the city of Tbilisi): Adjara, Imereti, Kakheti, Kvemo-Kartli, Samegrelo and Shida-Kartli¹. The expected results of the action are: (i) relevant skills-

¹ Two additional regions: Guria and Racha-Lechkhumi have been selected for support to be provided within the complementary measures component of this programme.

matching services accessible in selected regions; (ii) relevant lifelong learning skills provision accessible in the selected regions with a focus on youth; and (iii) entrepreneurial learning and entrepreneurship training opportunities accessible in the selected regions.

This programme has been designed taking into account the lessons learned from the current EU implemented programme in the Employment and VET sectors, as well as other relevant ongoing programmes (e.g. ENPARD and PAR). It will be in synergy with the Annual Action Programme 2017 action on Economic and Business Development in Georgia.

1 DESCRIPTION OF THE ACTION

1.1 Overall Objective, Specific Objective(s), Expected outputs and indicative activities

Within the overall context of EU bilateral support to Georgia, the action contributes to the economic development of Georgia and is relevant for the Agenda 2030. It supports the progressive achievement of Sustainable Development Goals targets 4.3-4.5² on Quality Education, but also promotes progress towards Goal 5 on Gender Equality and Goal 8 on Decent Work and Economic Growth. The action will contribute directly to challenges related to SME development and will provide skilled human resources for the implementation of the DCFTA. The action is in line with the two overall objectives of Sectors 1 and 4 of the new Single Support Framework (SSF) for Georgia 2017-2020³.

Enhanced human capital development in a lifelong learning perspective and skills matching are important elements of economic growth and resilience. The development of a HCD (human capital development) policy at national level to address long-term development needs as well as focused inclusive actions at regional level to address immediate territorial development needs will be promoted in line with the policies and action plans of the Government of Georgia. In line with the SSF, this sector reform contract will target six selected regions out of which two⁴ will be systematically covered by all EU sector programmes for a combined effect. Apart from Tbilisi, the capital, Adjara, Imereti, Kakheti, Kvemo-Kartli, Samegrelo and Shida-Kartli are selected. And another two will benefit from complementary assistance under this programme⁵. The selection of the regions has been made based on the key indicators on population, poverty and local economic development, availability of institutional capacity (training providers) as well as employment and unemployment rates in the regions.

² 4.3: By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university. 4.4: By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship. 4.5: By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations.

³ Single Support Framework for EU support to Georgia (2017-2020), June 2017.

⁴ As per agreement between the EU and the Government of Georgia, four focus regions (Imereti, Kakheti, Guria, Racha-Lechkhumi) have been selected for comprehensive support under SSF 2017-2020.

⁵ Guria, Racha-Lechkhumi

Sector reform contracts support Government's capacity to implement their own national sector strategies. Therefore, the objectives and expected results of the action reflect the nationally defined medium and long-term goals.

The **general objective** is to enhance Georgia's economic resilience and sustainable growth through human capital development and skills matching.

The **specific objective** is to improve the employability of women and men in the selected regions (Tbilisi – the capital, Adjara, Imereti, Kakheti, Kvemo-Kartli, Samegrelo and Shida-Kartli⁶).

Particular attention will be given to youth, women and other vulnerable groups.

The action will pursue the following **expected results**:

Result 1: Relevant skills-matching services accessible in the selected regions

R 1.1: Operational skills anticipation system based on regular national/sectoral and regional skills needs analyses

R 1.2: Increased availability of career guidance and counselling, job intermediation and labour market integration services

Result 2: Relevant lifelong learning skills provision accessible in the selected regions with a focus on youth

R 2.1: Flexible skills development system including both private and public provision based on the needs of learners and employers

R 2.2: Increased VET participation, in particular for the youth age group of 15-24

Result 3: Entrepreneurial learning and entrepreneurship training opportunities accessible in the selected regions

R 3.1: Entrepreneurship key competence is an integral part of curricula and teacher training, including practical entrepreneurial experience, in upper secondary general education and VET

R 3.2: Entrepreneurship training modules available for students and adult learners in higher education and VET institutions

All expected results draw from national policies.

The indicative list of results indicators (see Appendix 1) includes the three draft **Single Support Framework** indicators for Sector 4 of the SSF and one indicator from the **EU**

⁶ Two regions: Guria and Racha-Lechkhumi have been additionally selected for support to be provided within the complementary measures component of this programme.

Results Framework. This will enable linking the achievements of the programme with the EU contribution to the overall reforms in Georgia and to the global development agenda. These results will be achieved through combination of the budget support and complementary measures.

1.2 Main activities

Main activities of the sector reform contract are policy dialogue, capacity building, performance assessment and financial transfers. The activities will be channelled through both a budget support policy matrix, as well as complementary support consisting of technical assistance, twinning and grants.

1.2.1 Budget support

Budget support is proposed for areas where a sound level of policy framework, coordination and ownership of the reforms have been demonstrated. For budget support, the main activities are geared towards the policy targets which the government has committed to achieve in relation to the following policy areas: (1) Skills anticipation and matching; (2) Skills development, quality and relevance; and (3) Entrepreneurship development⁷.

At this stage, it is foreseen that EUR 30 million will be disbursed through this sector reform contract, in five annual tranches (2018 to 2022) depending on the achievement of targets defined in the policy matrix for each of the three policy areas. The targets trigger the achievement of all the expected results of this programme. The amount defined for budget support is expected to have an effective impact on the fulfilment of the conditionality and providing a substantial leverage for the policy dialogue.

Indicative disbursement table (in million euros)

Country fiscal year	2018	2019	2020	2021	2022	Total
Type of tranche						
Fixed tranche	4.0	3.0	2.0	1.0	1.0	11.0
Variable tranche		2.0	4.0	6.0	7.0	19.0
Total	4.0	5.0	6.0	7.0	8.0	30.0

A coordinated bilateral **policy dialogue** related to budget support with the Georgian Ministry of Finance and the line Ministries will be led by the EU Delegation and conducted throughout the sector reform contract. Civil society and social partners are included in the policy dialogue through their membership in the programme steering committee.

The policy dialogue will support the general and specific objectives of the programme and the eligibility and performance indicator related milestones. It will pay specific attention to the credible costing and financing of the sector strategies and the overall progress of the sector reforms. It is also built around the Risk Management Framework. The EU Delegation will

⁷ See Appendix 1 for additional information.

document important dialogue activities and monitor whether the Government acts upon policy messages.

1.2.2. Complementary support

The size and the scope of the complementary support have been shaped to focus on evidence informed policy implementation and monitoring rather than on policy development with a view to: (1) strengthening the capacity of stakeholders to address the needs of final beneficiaries with a special focus on youth and vulnerable/disadvantaged groups; (2) targeting specific regions, communities and sectors and their needs; and (3) involving actively private sector and non-governmental actors in policy implementation. Complementary support will cover all objectives and results.

(a) Technical assistance and twinning

Technical assistance will focus on capacity building of the relevant ministries and agencies. It will work on developing the skills, knowledge and competencies of these institutions to implement reforms in the policy areas of this programme in a sustainable long-term perspective.

The technical assistance will contribute to all the expected results 1.1-3.2. It will provide tools, methodologies and advisory services to strengthen their capacity and service provision to implement, connect and monitor the reforms. A special focus will be on fostering the provision of the new service model of the Employment Support Services in their district offices, improving access of the population in general and youth and vulnerable groups in particular to quality VET provision and embedding new methods and approaches to provide lifelong entrepreneurial learning in the education system. The technical assistance will also work with local communities (training providers, local actors such as youth centres, private sector and NGOs) to strengthen their capacity in grant proposal development, project management and monitoring. Beyond the expected results of the programme, the technical assistance will also include a communication component ensuring internal and external visibility and communication on the government led reforms in respective sectors. Communication activities will build upon the communication strategies and capacities of the respective ministries.

Technical assistance targeting beneficiary line ministries (Ministry of Internally Displaced Persons from the Occupied Territories, Labour, Health and Social Affairs (MoIDPLHSA), Ministry of Education, Science, Culture and Sports (MoESCS), Ministry of Economy and Sustainable Development (MoESD))⁸ and relevant agencies includes support and advisory services for e.g.: (i) effective implementation and monitoring of the sector strategies; (ii) development and provision of tools and methodologies in education and labour market monitoring, skills anticipation, career guidance and counselling and youth activation

⁸ As a result of the Government of Georgia restructuring completed in July 2018 the Ministry of Labour, Health and Social Affairs got additional functions and became the Ministry of Internally Displaced Persons from the Occupied Territories, Labour, Health and Social Affairs of Georgia (MoIDPLHSA). The Ministry of Education and Science was merged with another beneficiary line Ministry, the Ministry of Sports and Youth, as well as got other additional functions and was named the Ministry of Education, Science, Culture and Sports (MoESCS). The MoESD remained unchanged.

measures; (iii) capacity building measures for education staff (like teacher and school management trainings) and the staff of employment support services; (iv) support to VET and HE institutions enabling them to provide relevant entrepreneurship training courses; (v) communication and awareness raising on policies and services available in the regions for the programme target groups; (vi) visibility of the EU intervention. A separate service contract will provide external independent review missions to verify compliance with relevant policy reforms conditions.

A **first twinning** for the MoIDPLHSA and/or MoESD will contribute to expected result 1 on relevant and accessible skills-matching services and to the specific objective of improved employability of the population. This will be done through capacity building of the Ministry(ies) and their partners in harmonising the Georgian labour and employment policy legislation that are specifically required by the provisions of Association Agenda.

A **second twinning** for the NCEQE will contribute to the expected result 2 on accessibility of relevant lifelong learning skills. This will be done by enhancing the institutional capacity of the Centre to implement and monitor new authorisation and accreditation mechanisms, to develop secondary VET legislation and to improve quality assurance and governance of qualifications.

(b) Other Support

A **grant scheme** aiming at enhancing the employability of target groups in the regions will be open for the private sector, non-governmental actors and various service providers in education and training, employment and youth. The grants will improve outreach equally for final female and male beneficiaries and vulnerable groups through the development of partnerships and cooperation activities. The grants will contribute to the achievement of all the expected results 1.1-3.2.

(c) Support to Georgia's breakaway region of Abkhazia

A **specific support to Georgia's breakaway region of Abkhazia** will be channelled via UN agencies and NGOs to improve the management and delivery of VET and enhance employment and training opportunities of vulnerable groups in Georgia's breakaway region of Abkhazia. This action will aim at building the capacity of VET providers in the development of new methodologies, standards and training programmes as well as cooperation schemes and dialogue with local employers and companies. The action will enhance the capacity of local communities and actors to survey skills needs and engage particularly youth in VET, employment and entrepreneurship through apprenticeships and work-based learning schemes in companies, mentoring of employers and providing key competence training for youth placed in companies. The final beneficiaries are to include men and women in equal numbers. The specific support to Georgia's breakaway region of Abkhazia will contribute in particular to the expected results 1.2 and 2.1 and expected results 3.1-3.2.

(d) Visibility and communication

The **visibility and communication** actions to promote and raise awareness of the programme will be covered through a specific contract aimed at providing up-to-date and accessible information on the EU and its activities in Georgia, including overseeing and ensuring the visibility of EU-funded projects covered by this programme.

(e) Evaluation and Audit

Evaluations and audit will be carried out via specific contracts as described in sections 2.7 and 2.8.

1.3 Intervention logic

The intervention logic of this programme is driven by the objective of better employability of women and men in Georgia. It is based on the Government's 4-Point Programme 2016-2020 and the specific sector strategies and action plans as well as the commitments of the Government of Georgia through international agreements such as the Association Agreement with the European Union and the UN SDGs as adopted by the Government of Georgia.

For this purpose, it supports all parts of the Georgian national VET and labour market strategies as well as specific parts of the national Youth (career guidance, non-formal education) and SME (lifelong entrepreneurial learning, entrepreneurship key competence training) Strategies.

This policy framework covering the four Georgian line ministries sets up a holistic approach to tackle human capital development and employability in the selected regions. This sector reform contract will, thus, provide impetus for coordinated national efforts via the enlarged mandate of the coordination body and mechanisms to increase access of the population in general, and vulnerable groups and the selected regions in particular to active labour market measures such as career guidance, job search assistance, apprenticeships, as well as to employment support services and work-based learning, increased affordability of formal VET, non-formal education and entrepreneurial learning. The following table summarises the themes covered under the three components of the programme.

Themes covered under the three components of the proposed programme

Component	(1) Skills Anticipation and Matching	(2) Skills Development	(3) Entrepreneurship Development
Themes	<ul style="list-style-type: none">• LMIS/anticipation• ALMPs delivery• Career Guidance and Counselling• Public Employment Services• Labour policy, legislation	<ul style="list-style-type: none">• VET provision development• Lifelong learning• Quality Assurance• Work-based learning and PPP• Teacher and headmasters training	<ul style="list-style-type: none">• Entrepreneurial learning• Entrepreneurship key competence• Entrepreneurship training
Cross-cutting themes	Gender, Youth, NEETs, Vulnerable groups (IDPs, PwD, SEN (special educational needs), ethnic/religious minorities), six regions, green skills and green jobs, etc.		

The national policy implementation will be supported by budget support as well as complementary measures: technical assistance for the four line ministries (and agencies) and grants (including two twinning projects). Support to Georgia's breakaway region of Abkhazia via UN agencies and NGOs will be provided taking into consideration the specific constraints of this region.

The effectiveness of the EU intervention will be assessed through indicators that measure policy implementation and concrete outcomes for final beneficiaries in the regions.

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Disaggregated indicator targets for disbursements by vulnerable groups will ensure that the cross-cutting issues are monitored.

2 IMPLEMENTATION

2.1 Implementation of the budget support component

2.1.1 *Rationale for the amounts allocated to budget support*

The amount allocated for the budget support component is EUR 30 000 000, for the complementary support is EUR 15 100 000 and for Georgia's breakaway region of Abkhazia is EUR 3 750 000.

This amount is based on the commitment of the partner country to allocate national budget resources (including EU budget support) for support to (1) Skills anticipation and matching; (2) Skills development, quality and relevance; and (3) Entrepreneurship development. The amount is commensurate with the financing needs related to the supported reforms and will provide substantial leverage for the policy dialogue. All line Ministries concerned with the performance targets have demonstrated sufficient absorption capacity and a good track record in fulfilling the conditions under existing EU funded budget support programmes. Overall five instalments are planned. The first instalment of EUR 4 million will be released upon signature of the Financing Agreement and subject to compliance with the General Conditions for tranche release.

2.1.2 *Criteria for disbursement of budget support*

a) The general conditions for disbursement of all tranches are as follows:

- Satisfactory progress in the implementation of the State Strategy for the Formation of the Georgian Labour Market 2015-2018 and its follow-up strategy, the VET Reform Strategy of Georgia 2013-2020 and its follow-up strategy, the specific parts of Youth Policy (2.1, 2.2, 2.3 of the Action Plan on non-formal education and career guidance) and the SME Strategy (3.1, 3.2, 3.3, 3.4 of the Action Plan on skills/ training needs identification lifelong entrepreneurial learning, entrepreneurship key competence training); and continued credibility and relevance thereof;
- Implementation of a credible stability-oriented macroeconomic policy;
- Satisfactory progress in the implementation of the government's PFM reform programme;
- Satisfactory progress with regard to the public availability of timely, comprehensive and sound budgetary information.

b) The specific conditions for disbursement that may be used for variable tranches are based on existing government commitments through the relevant strategies and action plans mentioned above. The list of performance indicators used and the targets for disbursement of the variable tranches are detailed in Appendix 1. They have been selected from relevant strategies and are impact oriented:

- Increase in the number of ESS offices providing the new service model
- Increase in the number of annual ALMP beneficiaries
- Increase in the number of annual job placements by ESS

- Increase in the SME Policy Index score
- Regularity in overall skills needs analysis and complete national skills forecast
- Increase in the employment rate of VET graduates
- Increase in the lifelong learning participation rate
- Decrease in the NEETs rate by sex
- Decrease in the drop-out rate from VET

The chosen performance targets and indicators to be used for disbursements will apply for the duration of the programme. However, in duly justified circumstances, the State Minister on European and Euro-Atlantic Integration may submit a request to the Commission for the targets and indicators to be changed. The changes agreed to the targets and indicators may be authorised by exchange of letters between the two parties.

In case of a significant deterioration of fundamental values, budget support disbursements may be formally suspended, temporarily suspended, reduced or cancelled, in accordance with the relevant provisions of the financing agreement.

2.1.3 Budget support details

Budget support is provided as direct untargeted budget support to the national Treasury. The crediting of the Euro transfers disbursed into Georgian Lari will be undertaken at the appropriate exchange rates in line with the relevant provisions of the financing agreement.

2.2 Implementation modalities

2.2.1 Grants: call for proposals "Support to skills development and matching with labour market needs in Georgia" (direct management)

(a) Objectives of the grants, fields of intervention, priorities of the year and expected results

The grants will aim at enhancing the employability of target groups in the regions and improving outreach to equally female and male beneficiaries and vulnerable groups. This is done through the development of partnerships and cooperation activities in the following areas and fields of intervention: (i) International Partnerships between Georgian and EU VET providers; (ii) Local Human Resources Development Partnerships bringing different actors together; (iii) Sectoral Partnerships in order to strengthen and institutionalise sector skills councils, capacity building of sectoral employers and their associations, identifying skills needs and demand of the sectors, development of joint demand-driven training programmes with providers as well as development of work-based learning schemes and apprenticeships.

Expected results and eligible actions are those linked to all three components of the intervention logic for improved employability of target groups, in particular women and NEETs in the regions.

(b) Eligibility conditions

The essential eligibility criteria for applicants include, among others, to be established in a Member State of the European Union or in Georgia and be legal entities, natural persons or groupings without legal personality, local authorities, international organisations, NGOs, economic operators such as SMEs. Indicatively all public, private and non-state actors,

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international organisations, will be eligible to participate as long as they establish partnerships among different actors and fields.

Subject to information to be published in the call for proposals, the indicative amount of the EU contribution per grant will be between EUR 300 000 and EUR 1 200 000 and the grants may be awarded to sole beneficiaries and to consortia of beneficiaries (coordinator and co-beneficiaries). The indicative duration of the grants (implementation period) will be between 18 and 36 months.

As the case may be the authorising officer responsible may adapt those conditions.

(c) Essential selection and award criteria

The essential selection criteria are financial and operational capacity of the applicant.

The essential award criteria are relevance of the proposed action to the objectives of the call; design, effectiveness, feasibility, sustainability and cost-effectiveness of the action.

(d) Maximum rate of co-financing

The maximum possible rate of co-financing for grants under this call is 80% of the eligible costs of the action.

In accordance with Articles 192 of Regulation (EU, Euratom) No 966/2012, if full funding is essential for the action to be carried out, the maximum possible rate of co-financing may be increased up to 100%. The essentiality of full funding will be justified by the Commission's authorising officer responsible in the award decision, in respect of the principles of equal treatment and sound financial management.

(e) Indicative timing to launch the call

2nd trimester 2019.

2.2.2 Grants: calls for proposals for twinning projects for Results 1 and 2 (direct management)

(a) Objectives of the grants, fields of intervention, priorities of the year and expected results

The twinning calls for proposals modality will be used to conclude up to two grants for actions supporting the following priority areas, in line with the objectives, results and activities described in sections 4.1 and 4.2:

- Twinning for Result 1 objectives: to strengthen the institutional capacities of MoIDPLHSA and/or MoESD and their partners in harmonisation of the national legislation on employment and labour policies;
- Twinning for Result 2 objectives: to strengthen the institutional capacity of the NCEQE to implement and monitor new authorisation and accreditation mechanism, develop adequate by-laws and regulations and improve the qualifications system.

(b) Eligibility conditions

In line with Article 4 (10)(b) of Regulations (EU) No 236/2014, participation in twinning calls for proposals is limited to public administrations of the EU Member States, being understood as central or regional authorities of a Member State as well as their bodies and administrative

structures and private law bodies entrusted with a public service mission under their control provided they act for the account and under the responsibility of that Member State.

(c) Essential selection and award criteria

The essential selection criterion is the operational capacity of the applicant.

The essential award criteria are the technical expertise of the applicant, and the relevance, methodology and sustainability of the proposed action.

(d) Maximum rate of co-financing

The rate of co-financing for twinning grant contracts is 100%⁹.

(e) Indicative timing to launch the call

2nd trimester 2018.

(f) Use of lump sums/flat rates/unit costs

Twinning contracts include a system of unit costs and flat rate financing, defined in the Twinning Manual, for the reimbursement of the public sector expertise provided by the selected Member State(s) administration(s). The use of this system of unit costs and flat rate financing, which exceeds the amount of EUR 60 000 per beneficiary of a twinning contract, is authorised through Commission Decision C(2017)1122.

2.2.3 Grant: direct award for "Pilot measures for vocational education training in Georgia's breakaway region of Abkhazia" (direct management)

(a) Objectives of the grants, fields of intervention, priorities of the year and expected results

- Objectives: Improvement of quality, effectiveness and accessibility of VET and LLL, and improvement of employability and self-employment.
- Fields of intervention: VET, LLL and employment
- Expected results and eligible actions: actions linked to the adoption of best practices in VET and LLL approaches and improved access to VET and LLL of conflict-affected and/or vulnerable populations in Georgia's breakaway region of Abkhazia.

(b) Justification of a direct grant

Under the responsibility of the Commission's authorising officer responsible, the grant may be awarded without a call for proposals to the Danish Refugee Council (DRC) based upon Article 190(2) of Commission Delegated Regulation (EU) No. 1268/2012¹⁰, which is justified by the fact that Georgia's breakaway region of Abkhazia has been declared in a crisis situation by the authorising officer responsible.

⁹ As provided for in the Twinning Manual.

¹⁰ The current crisis declaration is only valid until June 2017; should this declaration of crisis situation not be extended, the basis for awarding the grant without a call for proposals would be Article 190 (1) (f) of Commission Delegated Regulation (EU) No. 1268/2012, considering that the action has specific characteristics that require a particular type of body on account of its technical competence, its high degree of specialisation or its administrative power.

Under the responsibility of the Commission's authorising officer responsible, the recourse to an award of a grant without a call for proposals is justified because DRC is the largest international NGO operational in Georgia's breakaway region of Abkhazia. Its Economic Recovery Unit has been supervising and coordinating complex economic initiatives since 2006 for a large variety of donors (ECHO, Danida (Danish International Development Agency), EU, Sida (Swedish International Development Cooperation Agency)). Interventions have ranged from self-reliance grants with a focus on food security to SME interventions with tailor-made on-the-job training provided to local entrepreneurs. Over the period 2012-2016, DRC has delivered grants and training to over 380 local entrepreneurs in South East Georgia's breakaway region of Abkhazia primarily in the service and production sectors, with the support of SIDA, DANIDA, SDC, EU and UNHCR. DRC has a sound knowledge of the local economic context and dynamics and strong capacity to provide training in the field of business management and administration. DRC's recognised presence in South East Georgia's breakaway region of Abkhazia since 2013 has translated into strong partnerships with local communities, economic and social actors and local institutions which are essential to run successfully the action and contribute to rural development. DRC has also developed an innovative programme to engage youth in the labour market and offer new educational possibilities based on market needs. Since 2016, DRC supports unemployed youth in the districts of Gali, Ochamchire and Tkvarcheli to work with SMEs by receiving on the job technical trainings and receiving grants at the end of the programme based on their business plans. DRC is currently the only international NGO providing on the job training to unemployed youths in underserved and remote districts of Georgia's breakaway region of Abkhazia.

DRC will partner with Action against Hunger (ACF), which is the second largest NGO operational in Georgia's breakaway region of Abkhazia, able to operate on both sides of the divide with Georgia's breakaway region of Abkhazia. Benefitting from broad international support, it has been implementing projects in close collaboration with local communities, administrations, professionals, scientific institutions, universities and civil society. It has an active presence on both sides of the Administrative Border Line to Georgia's breakaway region of Abkhazia and good links with decision makers and responsible (de facto) authorities/institutions in all relevant locations. ACF has continuously implemented VET projects in Eastern Georgia's breakaway region of Abkhazia from 2007 to 2011 funded by UNHCR. With EU funding it has implemented the project "Vocational and Business Skills in Georgia's breakaway region of Abkhazia" in a consortium with World Vision, where ACF was leading the VET component of the joint project. ACF has extensive experience in implementing projects focusing on skills development, employment and entrepreneurship funded by the EU and SIDA. ACF's employment methodology, the "Employment Shuttle", is acknowledged as a best practice by the European Commission in promoting social inclusion and employability of participants and it is already piloted in Georgia. ACF is also able to integrate a confidence building component where ethnic Abkhaz, Georgian, Armenian, Russian and other minorities establish linkages and networking within Georgia's breakaway region of Abkhazia.

DRC is proposed as grant coordinator and ACF as co-beneficiary. Nevertheless, the organisations could be swapped in case the political situation would require.

A third international NGO is present in Georgia's breakaway region of Abkhazia, World Vision, which has, in past times, worked on Business Skills in Georgia's breakaway region of Abkhazia but has since specialised on education issues. Should the situation justify it or

should it prove favourable for the implementation of the action, World Vision would be associated to the action as further co-beneficiary for implementing a component of the action.

(c) Essential selection and award criteria

The essential selection criteria are the financial and operational capacity of the applicant.

The essential award criteria are relevance of the proposed action to the objectives of the call; design, effectiveness, feasibility, sustainability and cost-effectiveness of the action.

(d) Maximum rate of co-financing

The maximum possible rate of co-financing for this grant is 80% of the eligible costs of the action.

However, in accordance with Articles 192 of Regulation (EU, Euratom) No 966/2012, if full funding is essential for the action to be carried out, the maximum possible rate of co-financing may be increased up to 100 %. The essentiality of full funding will be justified by the Commission's authorising officer responsible in the award decision, in respect of the principles of equal treatment and sound financial management.

(f) Indicative timing to launch the call:

3rd trimester 2018.

2.2.4 Procurement (direct management)

Subject	Type	Indicative number of contracts	Indicative trimester of launch of the procedure
Technical assistance	services	1	2 nd trimester 2018
Communication and visibility	services	1	4 th trimester 2018
Evaluation and audit	services	3	2 nd trimester 2020 2 nd trimester 2022

2.2.5 Indirect management with United Nations Development Programme (UNDP)

A part of this action may be implemented in indirect management with the United Nations Development Programme (UNDP) in accordance with Article 58(1)(c) of Regulation (EU, Euratom) No 966/2012. This part of the action refers to support to Georgia's breakaway region of Abkhazia, and the implementation entails improving management of the VET sector, supporting elaboration and implementation of best VET practices in selected areas and establishing coordination for dialogue with employers.

This implementation is justified because UNDP possesses the resources and capabilities to deliver results in a systemic manner. It has considerable experience as regards the successful implementation of VET initiatives in Georgia and has already developed necessary tools, such as textbooks, curricula, syllabi, teaching and classroom standards, training kits, etc. UNDP is also experienced in implementing complex projects in this sensitive and intricate political and social context and has established trusted relations with all key stakeholders on the ground – the de facto authorities of Georgia's breakaway region of Abkhazia, the Georgian government, as well as civil society and experts on both sides of the Inguri river.

UNDP will carry out these tasks together with the United Nations Children's Fund (UNICEF). UNICEF will focus on improving management of VET education in the area of health care, LLL for health care professionals and elaborating and implementing best practices in the

field. In the absence of other specialised agencies such as the World Health Organization (WHO), UNICEF remains the leading agency working in the field of health care in Georgia's breakaway region of Abkhazia. The agency possesses significant knowledge of the political and social context and current developments on the ground and has proven expertise in organising systematic capacity-building trainings for health professionals in Georgia's breakaway region of Abkhazia. UNICEF has the trust of both Georgian authorities and Abkhaz de facto authorities, who heavily rely on UNICEF's good offices and the expertise that UNICEF can bring in.

The entrusted entities would carry out the following budget-implementation tasks: running related public procurement and grant award procedures; concluding and managing the resulting contracts, including making related payments.

If negotiations with one of these entities, the concerned part of this action would be implemented by the other, considering that both organisations fulfil the requirements for the implementation of this action.

If negotiations with both entrusted entities fail, that part of this action may be implemented in direct management in accordance with the implementation modalities identified in the section 2.2.6.

2.2.6 Changes from indirect to direct management mode due to exceptional circumstances

Should it reveal not possible due to circumstances outside of the Commission's control to implement the activities under indirect management with UNDP/UNICEF as described in section 2.2.5, these activities would be integrated in the call for proposals described in section 2.2.1, by broadening the scale and funding of the grants.

2.3 Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply subject to the following provisions.

The Commission's authorising officer responsible may extend the geographical eligibility in accordance with Article 9(2)(a) of Regulation (EU) No 236/2014 on the basis of urgency or of unavailability of products and services in the markets of the countries concerned, or in other duly substantiated cases where the eligibility rules would make the realisation of this action impossible or exceedingly difficult.

2.4 Indicative budget

	EU contribution (in EUR)	Indicative third party contribution (in EUR)
2.1 - Budget Support - sector reform contract	30 000 000	N.A.
2.2.1 – Grants call for proposals (direct management)	7 000 000	1 750 000

2.2.2 - Grants: up to two twinning calls for proposals (direct management)	3 000 000	N.A.
2.2.3 - Grant: direct award (direct management)	1 000 000	250 000
2.2.4 – Procurement (direct management)	4 500 000	N.A.
2.2.5 – Indirect management with UNDP	2 750 000	N.A.
2.7 – Evaluation	300 000	N.A.
2.8 - Audit		
2.9– Communication and visibility	300 000	N.A.
Totals	48 850 000	2 000 000

2.5 Organisational set-up and responsibilities

The MoESCS will be entrusted by the Government of Georgia to coordinate all activities under this programme. This is justified due to the longstanding experience of the MoESCS working with EU programmes and its proven capacity of interinstitutional coordination of the current EVET multisector programme. In addition, the Minister of Education and Science has been appointed as Third Vice Prime Minister in charge of youth policies.

The programme will be governed by a steering committee, which will oversee and guide the overall direction and policy of the programme. It will assess progress in the implementation of the action and decide if any modifications are needed. It shall indicatively meet twice a year and can be convened whenever the project implementation requires strategic decisions. Separate sessions may be organised for different components. The project steering committee will include representatives of the following entities: MoESCS, MoIDPLHSA, MoSYA, MoESD, social partners, civil society organisations and the donor community as observers. The steering committee will inform the NVETC and the Tripartite Social Partnership Commission (TSPC) on the progress of the programme implementation and complement the ongoing policy dialogue in the NVETC and TCPC as regards respective policy initiatives and strategies regularly brought for review and feedback to these interagency platforms.

2.6 Performance monitoring and reporting

External review missions will verify compliance with relevant policy reforms conditions, according to the following tentative calendar:

Tranche	Reference year for which data is expected to be available	Timing of the assessment mission
2 nd Tranche	2019	1 st quarter 2020
3 rd Tranche	2020	1 st quarter 2021
4 th Tranche	2021	1 st quarter 2022
5 th Tranche	2022	1 st quarter 2023

As regards monitoring and reporting on strategies implementation, all four line ministries have the tools and mechanisms for monitoring and reporting on strategies in line with the Policy Planning Framework requirements.

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process and part of the implementing partner's responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (outputs and direct outcomes) as measured by corresponding indicators, the list of result indicators (for budget support). The report shall be laid out in such a way as to allow monitoring of the means envisaged and employed and of the budget details for the action. The final report, narrative and financial, will cover the entire period of the action implementation.

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

2.7 Evaluation

Having regard to the importance of the action, mid-term and final evaluations will be carried out for this action or its components via independent consultants contracted by the Commission.

A mid-term evaluation will be carried out for learning purposes, in particular with respect to assessing progress of implementation and performance of the various components, so that corrective actions can be put in place.

A final evaluation will be carried out for accountability and learning purposes at various levels (including for policy revision), taking into account in particular the fact that the programme targets two priority areas of cooperation within the SSF.

The Commission shall inform the implementing partner at least three months in advance of the dates foreseen for the evaluation missions. The implementing partner shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities.

The evaluation reports shall be shared with the partner country and other key stakeholders. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the partner country, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

Where relevant, the provisions of the Financial and Administrative Framework Agreement concluded between the European Union and the selected international organisation(s) shall apply.

Indicatively, two contracts for evaluation services shall be concluded under a framework contract in 2020 and 2022.

2.8 Audit

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audits or expenditure verification assignments for one or several contracts or agreements.

Where relevant, the provisions of the Financial and Administrative Framework Agreement concluded between the European Union and the selected international organisation(s) shall apply.

Indicatively, one audit contract for audit services shall be concluded under a framework contract in 2022.

2.9 Communication and visibility

Communication and visibility of the EU is a legal obligation for all external actions funded by the EU.

This action shall contain communication and visibility measures which shall be based on a specific Communication and Visibility Plan of the Action, to be elaborated at the start of implementation and supported with the budget indicated in section 5.6 above.

In terms of legal obligations on communication and visibility, the measures shall be implemented by the Commission, the partner country, contractors, grant beneficiaries and/or entrusted entities. Appropriate contractual obligations shall be included in, respectively, the financing agreement, procurement and grant contracts, and delegation agreements.

The Communication and Visibility Manual for European Union External Action shall be used to establish the Communication and Visibility Plan of the Action and the appropriate contractual obligations shall be included in the financing agreements or delegation agreements.

With regards to the Neighbourhood East, all EU-supported actions shall be aimed at increasing the awareness level of the target audiences on the connections, the outcome, and the final practical benefits for citizens of EU assistance provided in the framework of this action. Visibility actions should also promote transparency and accountability on the use of funds.

Outreaching/awareness raising activities will play a crucial part in the implementation of the action, in the case of budget support the national government shall ensure that the visibility of the EU contribution is given appropriate media coverage. The implementation of the communication activities shall be the responsibility of the implementing organisations, and shall be funded from the amounts allocated to the action.

All necessary measures will be taken to publicise the fact that the action has received funding from the EU in line with the Communication and Visibility Manual for EU External Actions. Additional Visibility Guidelines developed by the Commission (European Neighbourhood Policy and Enlargement Negotiations) will be strictly adhered to.

Where relevant, the provisions of the Financial and Administrative Framework Agreement concluded between the European Union and the selected international organisations shall apply.

It is the responsibility of the implementing organisation to keep the EU Delegations and, where relevant, DG NEAR, fully informed of the planning and implementation of the appropriate milestones specific visibility and communication activities.

The implementing organisation shall report on its visibility and communication actions, as well as the results of the overall action to the relevant monitoring committees.

This action will be communicated externally as part of a wider context of EU support to the country, and where relevant to the Eastern Partnership region in order to enhance the effectiveness of communication activities and to reduce fragmentation in the area of EU communication.

The implementing organisation shall coordinate all communication activities with EU Delegations as well as regional communication initiatives funded by the European Commission to the extent possible. All communication strategies developed as part of this action shall ensure they are in line with the priorities and objectives of regional communication initiatives supported by the European Commission and in line with the relevant EU Delegation's communication strategy under the "EU4Georgia" umbrella initiative.

APPENDIX 1 - INTERVENTION LOGIC TABLE

The inputs, the expected direct and induced outputs and all the indicators, targets and baselines included in the list of result indicators are indicative and may be updated during the implementation of the action without an amendment to the financing decision. The table with the indicative list of result indicators will evolve during the lifetime of the action: new columns will be added for intermediary targets (milestones), when it is relevant and for reporting purpose on the achievement of results as measured by indicators.

THE TARGETS IN BOLD ARE ALSO PROPOSED AS TARGETS FOR THE INDICATORS OF THE POLICY MATRIX (SPECIFIC CONDITIONS)

Overall objective: Impact	Intervention logic	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification
	To enhance Georgia's economic resilience and sustainable growth through human capital development and skills matching.	Poverty rate (** EU RF Indicator 2): Percentage of population living below international poverty line	9.8% (2014)	<4% (2022), (ref. nationalised SDGs target <1% by 2030)	GEOSTAT
		Employment rate 15+ by sex	59.5%, M 67.1%, F 52.9% (2016)	63% with at least 5 percentage point increase for women (2022)	GEOSTAT LFS
		Employment rate 15+ by sex in the selected regions	59.7%, M 67.6 %, F 52.9% (2015)	63% with at least 5 percentage increase for women (2022)	GEOSTAT LFS
		Employment rate 15+ of VET graduates	66.8%, M 77.4%, F 59.1% (2015)	68% (2020), 70% (2022)	GEOSTAT LFS
		Unemployment rate 15+ by sex	11.8.0%, M 14.2%, F 8.9% (2016)	10% (2022)	GEOSTAT LFS
		NEETs rate by sex (* SSF indicator)	27.92%, M 23.16%, F 33.21.1% (2016)	27% (2020), 25% with at least 2% percentage point decrease for females (2022)	GEOSTAT LFS
		Activity rate by sex	67.5%, M 78.2%, F 580% (2016)	70% with at least 5 percentage points increase for women (2022)	GEOSTAT LFS

Specific objective(s): Outcome(s)	Induced outputs										
	To improve the employability of women and men in the selected regions.			LLL rate by sex		0.61%, M 0.68%, F 0.55% (2015)		0.8% (2020), 1.5% with at least 0.5 percentage point increase for women (2022)		GEOSTAT LFS EMIS	
				Drop-out rate from VET		13.4% (2016)		11.4% (2021)		EMIS	
				Drop-out rate from VET for youth		14.0% (2016)		13% (2020), 11% (2022)		EMIS	
1. Relevant skills-matching services accessible in the selected regions											
1.1 Operational skills anticipation system based on regular national/sectoral and regional skills needs analysis				Local skills needs survey by ESS offices (1.1)		0		By 60% of the offices (2022)		ESS annual report ESS financial and HR information	
1.2 Increased availability of career guidance and counselling, job intermediation and labour market integration services				Percentage of ESS offices providing new service model (1.2)		0.03% (2 offices) (2016)		20% (2019), 60% (2021)			
				Number of annual ALMP beneficiaries (1.2)		5300 (2016) TBC		At least 6360 (2020), At least 6890 (2021)			
				Number of annual job placements by ESS (1.2)		670 (2016)		At least 871 (2019), At least 1072 (2020)			
2. Relevant lifelong learning skills provision in the selected regions with a focus on youth											
2.1 Flexible skills development system including both private and public provision based on the needs of youth, adults and employers				Enrolment rate of youth 15-24 in formal VET qualifications (2.1)		2.3% (2015)		3% (2020), 5% (2022)		GEOSTAT EMIS	
2.2 VET participation increase, in particular for the youth age group of 15-24				Number of annual youth 15-24 beneficiaries of (2.2) <ul style="list-style-type: none">non-formal entrepreneurship educationcareer guidance		Baseline 2016 Baseline 2016		5% increase from the baseline (2020) 5% increase from the baseline (2021)		MoSYA, MoESCS, SSA, GITA administrative data	

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	Number of youth 15-24 benefitting of non-formal education in the selected regions (2.2)	Baseline 2016	5% increase from the baseline (2021)	MoSYA, MoESCS administrative data
	Percentage of people aged 25+ enrolled in all type of VET in the selected regions (2.2)	0.25 % (2016)	Increase by 0.25 percentage points from the baseline (2019) Increase by 0.75 percentage points from the baseline (2020)	EMIS, GEOSTAT
3. Entrepreneurial learning and entrepreneurship training opportunities accessible in the selected regions				
3.1 Entrepreneurship key competence is an integral part of curricula and teacher training, including practical entrepreneurial experience, in upper secondary general education and VET	Percentage of full-time VET teachers having completed 20 working days of internship in a company within the last two years (3.1)	Baseline 2016	20% (2020), 40% (2021)	TPDC administrative data
	Percentage of general upper secondary and VET teachers and principals trained on entrepreneurship key competence (3.1)	0	5% (2020) 10% (2021)	TPDC administrative data
3.2 Entrepreneurship training modules available for students and adult learners in higher education and VET institutions	Percentage of higher education and VET institutions providing entrepreneurship training modules (3.2)	0	20% (2021) 40% (2022)	EMIS and MoESCS

APPENDIX 2 – DONOR COOPERATION AND COMPLEMENTARITY

The list of EU-funded programmes that are complementary to this action includes:

EU Programme	EUR million	Duration	Complementarity with this programme
Employment and VET (EVET) sector reform contract	27	2013-2018	Ongoing support to VET and employment reform process
Public Administration Reform (PAR)	30	2015-2021	Five pilot Ministries (MoESD, MoESCS, MoIDPLHSA, and MoRDI (Ministry of Regional Development and Infrastructure)) will benefit in terms of improved strategic planning and policy development capacity
Regional Development Phase II	30	2015-2018	Support to planning and management of public funds for the regions; including rural development measures for the benefit of agriculture and agribusiness
ENP for Agriculture and Rural Development (ENPARD) Phase II and III	79	2016-2020	Promotes inclusive and sustainable growth, creating employment and livelihoods for the poor and excluded in rural areas. Special measures target vulnerable people in remote regions and empowerment of rural women; pilot action in Georgia's breakaway region of Abkhazia
Support to EU-Georgia DCFTA and SMEs	51	2015-2018	Targets the development of SMEs and business organisations, supports economic integration of targeted groups, such as internally displaced persons (IDPs), returned migrants, women in business and young entrepreneurs.
Economic and Business Development in Georgia	47.65	2018-2022	Support services on entrepreneurship and to SMEs, business incubators, etc.
Human Rights for All	4.2	2016-2018	Support effective functioning of labour administration and industrial relations & procedures, grant implemented by ILO
IcSP/COBERM		2016-2018	Multilingual education implemented by UNICEF; VET inventory-; grant to CSO
Promoting Labour Relations and Social Dialogue in Georgia	0.4	2014-2017	Support effective functioning of the Tripartite Social Partnership Commission and capacity building of social partners, grant implemented by ILO

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Other EU Member States and international donor-funded programmes in the field of labour market and VET that are complementary to this action include:

Partners	Funded programmes	Timetable
Labour Market		
Austria (ADA)	Education for strengthening and stabilising Labour Rights – Trade Union School of Georgia	07/2016-06/2018
Education and Science		
Germany (VET)	Grant for Component “Vocational Qualification in selected value chains” as part of GIZ' Private Sector Development Programme South Caucasus	10/2013-03/2017
Germany (VET)	GIZ Private Sector Development and TVET Programme South Caucasus, with a grant of EUR 8.6 million from BMZ and a focus on the promotion of dual oriented TVET in selected sectors relevant for employment.	04/2017-3/2020
Germany (VET)	Grant for Component on Qualification in Biodiversity Management and the Forest Sector as part of GIZ' Biodiversity Programme IBiS	12/2015-11/2018
Germany (VET)	Grant for VET activities implemented by IHK (Industrie- und Handelskammer) München (Sequa) + Georgian Chamber of Commerce and Industry	07/2015-06/2018
Germany (VET)	Grant for VET activities implemented by Bildungswerk Mecklenburg-Vorpommern (Sequa) and Georgia Employers' Association	09/2015 – 11/2018
Germany	Support to Adult Education in countries of transition, South-East Europe, Caucasus and Turkey by DVV International (Institute for International Cooperation of the Deutscher Volkshochschul-Verband)	01/2015 – 12/2017
Germany	KfW (Kreditanstalt für Wiederaufbau) – Private sector development with a component on VET	2018-2020
France (Education and science)	Scholarships, training of French language teachers, rehabilitation of French as a foreign language in primary education (ca. EUR 120 000) French-Georgian university including technical education (BTS –Advanced Technician's Diploma) and <i>licence professionnelle</i> in agriculture and tourism	2016 (Annual)

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Netherlands Fellowship Programme	Full scholarships for Master and PhD programmes and for short courses. Target group: mid-career professionals. Tailor-made trainings by Dutch institutions to their Georgian counterparts.	Annual
The Netherlands	“Empowering Youth in Pankisi Gorge” with Kakheti Regional Development Centre: vocational training courses for young people in beekeeping, welding, carpentry, tailoring, cooking, repair of mobiles and PCs (EUR 60 474)	2016-2017
Poland (Pre-school education)	Polish Aid – Supporting changes to increase access and quality of preschool education in Georgia (ca. EUR 300 000)	05/2016-12/2017
Estonia (general education)	Technical assistance for the revision and improvement of curriculum and overhaul of pre-service teacher training. Partners: UNICEF, MoESCS of Georgia, Estonia (EUR 220 000) (new 3 year project under development)	07/2014-12/2016
Estonia (VET)	Transfer of Estonian Best Practices to Support the Competitiveness of Georgian Vocational Education and Training Sector II (EUR 116 000)	11/2015-10/2017
Austria (ADA)	Inclusion in VET and the Labour Market	01/2016 – 12/2017
Main non-EU donors		
Millennium Challenge Corporation (USA)	Compact on Education (USD140 million) – the programme includes a project on Improving General Education Quality (USD 76.5 million and on Industry-Led and Workforce Development (USD16 million)	2014-2019
SDC	Contribution Agreement with UNDP (USD 5.8 million) on “Modernization of the VET System Related to Agriculture in Georgia”	01/06/2013 – 31/12/2018
USAID	Georgia Primary Education Project (G-PriEd, USD 12 million); provides assistance to the primary	2011-2018

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	education system to improve reading and math competences and basic business literacy at primary grades	
USAID	Horizons Project to enhance conflict affected communities' resilience and confidence building between Abkhaz and Georgian citizens in the areas of common interest such as health and education	2016-2021
USAID	Programme to support private sector development through value chain analyses (USD 20 million); one component of the programme is VET and skills development in selected economic sectors	2018-2022
USAID	"ZRDA activity in Georgia" covers five regions and 70 communities; project focuses on local economic development and SMEs, with the aim of creating 2000 jobs and increased income for 11 000 families	2016-2019
<u>International Financial Institutions</u>		
EBRD	Pilot component on skills development for agriculture and hospitality with a focus on youth and gender as part of the Inclusion Strategy	2017-2020
World Bank	Actions on inclusive growth through better public services, job creation and competitiveness within WB-Georgia Country Partnership Strategy	2014-2017
	Georgia National Innovation Ecosystem (GENIE) Project (USD42 million) – project includes a component supporting education for knowledge economy and innovation hubs (fablab incubators)	2016-2021