

Ministry of Displaced Population of the Occupied Territories, Labour, Health and Social Affairs (MoLHSA) Ms. Tamar Gabunia, First Deputy Minister Copy: Mrs. Tamila Barkalaia, Deputy Minister

Object

Meeting request to MoLHSA for portfolio review and future collaboration on Social Welfare, in preparation of Annual

Consultation Meeting with Ministry of Finance.

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Reference

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Followed by

Dear Ms. Gabunia,

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AFD has received the mandate to operate in Georgia since 2012, and historically built its activity around a robust and fruitful collaboration with the Ministry of Displaced Populations of the Occupied Territories, Labour, Health and

Social Affairs (MoLHSA) by supporting a series of reforms in the social welfare and health policies sectors.

In 2017, AFD extended a EUR 60 million policy-based loan to the Government of Georgia to co-finance the Private Sector Competitiveness Development Policy Operation (DPO) developed by the World Bank. On top of this loan, AFD a mobilized 500.000 EUR grant to implement a Technical Assistance (TA) program, that ended in December 2020. This Program was dedicated to support the pension system reform, which was one of the actions foreseen within the framework of the DPO.

Building on this first experience, a multiyear policy based loan (PBL) for a total amount of EUR 140 million was launched in 2018 to address the second main pillar of social assistance: health care. In order to align with MoLHSA priorities, and to cope with the Covid-19 crises, the third and last installment of this loan has been revised to reach EUR 70 million, disbursed in July 2020. Furthermore, AFD remains fully mobilized to address potential needs of GoG during the ongoing vaccination campaign.

With the aim to align this flagship program with a long term capacity building strategy, AFD mobilized an additional EUR 500.000 technical assistance grant to support the GoG in implementing the reforms and actions of the policy matrix attached to the loan operation. A restitution workshop will be organized by Expertise France in the course of the second Semester 2021.

Thanks to a fruitful collaboration with GoG and valuable inputs from all stakeholders, results of this first phase are already visible. Among others, this program allowed to set up and test a robust model of granting disabilities in two regions, to align mental health care system with EU requirements, to resettle IDPSs families living in collective collapsing centers in durable housing, and to mobilize resources to support national response plan to the Covid-19 pandemic.

We are now heading to the end of this three-year cycle of cooperation, and in the unprecedented context of Covid-19, this year 2021 appears as a crucial milestone to pursue this collaboration, and answer MoLSHA needs and priorities for the years to come by mobilizing adapted technical and financial tools. AFD is now fully committed to prepare this new phase of intervention (i) by launching a detailed evaluation process that will inform future project design, and (ii) by mobilizing additional financial and technical resources to adapt to this transition period.

- (i) With reference to our previous discussions in October and November, AFD launched a two-step evaluation process: an auto-evaluation carried out by Expertise France, implementer of the technical assistance, will be made available at the end of the first quarter 2021. Later in 2021, a full-fledged external evaluation will cover all actions implemented in the Social Welfare and Health sector since 2017 to assess more broadly the impact of AFD's funding, TA and policy dialogue. The MoLHSA and MoF will be closely associated at each step of this process, in order to identify areas of improvement to be taken in consideration during the design process.
- (ii) Moreover, technical grants for a total of EUR 1.1M have been mobilized to ensure continuity in the activity and identify priority interventions for 2021 and 2022. This technical assistance program will also allow strengthening a Climate resilient and Gender inclusive approach of Social Welfare in future collaboration. In that perspective, a mission was carried out in October 2020, with support from AFD HQ expert Mr. Nicolas Le Guen, and resulted in a first proposition of disbursement matrix based on priority reforms shared by the MoLSHA for the 3 years to come. This document has been annexed to this letter and we remain at your full disposal to update this document according to your current priorities.

In order to further detail out these orientations, and discuss related avenues of cooperation for 2021 and 2022, AFD wishes to organize an Annual Consultation Meeting chaired by MoF on the week of the 16th of April.

Prior to this meeting, we would like to organize a working session with you and your team on the week of the 29th March as per your best convenience, to draft the minutes of the Annual Consultation meeting.

Kindly let us know which date would suit you. We are looking forward for fruitful discussion with your team, and remain at your disposal for any additional information.

Warm regards,

Raphae JOZAN

Director – Regional Rep Office for South Caucasus

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Annex 1 - Po	licy based l	loan - Social Welfare	Annex 1 - Policy based loan - Social Welfare Matrix (26th of October)	Ť		
Objectives	Responsible Government	Trigger action(s)	Trigger action(s)	Trigger action(s)	Results (indicators, baseline, target)	Scope of TA
	Entity	Year 1	Year 2	Year 3		32
Pillar 1. To devel	op social suppo	ort and solidarity system, in	Pillar 1. To develop social support and solidarity system, inclusive to women and resilient to climate chan	it to climate change.		
Ensure the	MoLHSA	Defining roadmap for	Methodology for analysis of needs	Model based on the new	Policy objective: The needs of	Support in development of model for
professionalization		operationalisation of an	and coordination of the social care	methodology is effective in $3$	vulnerable population are analysed	decentralization of social care, including
of social work		organisational layout of State	on territory (including one stop	regions	and appropriate social care package	coordination between different actors
(people with		care agency and its territorial	shop approach) is developed by	6.00	is proposed through Georgian	on local level
disabilities, child		structure	the MoHLSA	The MoHLSA in collaboration	territories based on decentralised	
care) in order to			(4)	with its partners trained	model	TA in development of methodology for
improve the social		Piloting is implemented in at	Action plan for certification of	professionals and implemented		analysis of needs and coordination of
care for vulnerable		least one additional region	acting social workers is developed	the new methodology for	Baseline (2020):	the social care on territory (including
layers of population			and approved by MoLHSA	assessing and granting disability		one stop shop approach)
and reduce		Changes in legal framework,		status in XX regions	> Creation of State care agency;	
inequalities		related to disability, to roll out	Assessment of piloting and		and the second s	Develop the methodology of monitoring
between women		the methodology have been	formulation of final	A global assessment is	Target (2023):	& evaluation of social care programs and
and men		approved by the MoHLSA (law	recommendations	implemented by the	> At least XX social workers trained in X regions of the	their impact
			Approval by the MoHLSA of	its partners to adapt and	country (at least 50% of which	TA in piloting of functional/social model
			costing of social services for PWD	improve the methodology	assessment on the methodology	of assessing and granting disability is
			Action plan for national scale-up	Specific attention should be	approved;	Implemented in one additional region
			of functional/social model of	given to the gender dimension	Functional/social model of	Assessment of piloting and capitalization
			assessing and granting disability	in order to develop fine tuning	assessing and granting disability is	and extension of pilot to other region(s)
			status is developed and approved by MoLHSA		fully launched at the national level	Trainings of social workers on dealing
						with disability assessment and support
					Baseline (2020):	Support in development of
					> Professionals trained in 2	methodology of costing of social services
					<ul> <li>Legal basis for functional/social model is approved (law into force);</li> </ul>	

	from this social support scheme (of witch at least 50% are	the new program is not having	vulnerable population			
	threatened customers benefit	commissioned to ensure that	efficiently in the dwellings to			
	> At least XX energy poverty	A dedicated study is	how to improve thermal comfort			
	social support scheme;		distribute LED and information on	will be analysed.		
	recommendations sent to define	review.	Professionals of the MoHLSA	would come out of the report		
	<ul> <li>Standards approved, monitoring conducted and</li> </ul>	processing regular compliance		Any gender dimension that		
		<b>Energy Community Secretariat is</b>	implemented and analysed			
	Target (2023):		support scheme has been	of COVID 19 crisis		
	1	control.	Pilot project to test the social	take in account the social impact		the Government
	support scheme;	performed to ensure quality		This study will be updated to		scheme adopted by
on European experiences	specific social	Government and monitoring is	project.	3 7		social support
scenarios to fight energy poverty based		Standards are approved by the	eligible to conduct the pilot	this social support scheme		according to the
Designing of proposals for policies and	Baseline (2020):		trained professionals, who will be	nature and budget projections of		customers
		up of social support scheme	The Government determined and	with MoESD to assess the scope,	No.	threatened
support scheme	from this social support scheme:	government to ensure scaling-		financed by AFD and conducted	MOHISA and	for energy poverty
inclusive access to energy through social	efiting	elaborated and approved by the	to run a pilot project in Tbillisi.	to electricity, a study has been	MoESD and	access to electricity
TA in realisation of Study to analyse	Number of energy poverty	The legal framework is	The legal framework is elaborated	In the view of promoting access		Promote inclusive
	recommendations sent					
	conducted and					
disasters	> Standards approved, monitoring					
climate changes and natural	1000					
informal sector workers affected by	Target (2023):			will be analysed		
simulations on social coverage of the	WOLKELD,		developed	would come out of the report		
<ul> <li>Support in developing scenario and</li> </ul>	social measures for informal		to health services will be	Any gender dimension that		
and analysis of sectors most affected	> No standards for specialized		Special measures insuring access			
Study on structuring informal sector				this social protection measures		climate changes
	Baseline (2020):		changes and natural disasters	nature and budget projections of		workers affected by
natural disasters:		and approved by MoHLSA	sector workers affected by climate	conducted to assess the scope,		informal sector
workers affected by climate changes and	receiving assistance:	natural disasters is developed	reinforce resilience of unformal	labour forces, a study is		resilience of
reinforce resilience of informal sector	impacts and naturel disasters	affected by climate changes and	support measures in order to	disasters for informal sector		in order to reinforce
social support measures in order to	affected by direct climate change	of informal sector workers	proposes new model of social	climate change and natural	MoHLSA	support measures
TA to elaborate scenarios and models	Number of informal workers	Strategy for reinforce resilience	Based on the study, the MoHLSA	In the view of limiting impact of	MoESD and	Develop social
	methodology approved ;					
	First global assessment on the					
	icase Joseph and and and are					
	in X regions of the country (at					
	> At least XX professionals trained					
	larget (2023):					

Pillar 2. To ensure					infrastructures	energy efficiency action plan (NEEAP)	Apply National	
affordable, ir						MoHLSA	MoESD and	
nclusive and quality healthca		evising and ruthe bullengings	to improve the energy efficiency and the thermal comfort of the evicting and future building.	projections for future social infrastructures. This study aims	conducted with MoESD to assess the scope, nature and budget	efficient measures in social infrastructures, a study is	In the view of promoting energy	
Pillar 2. To ensure affordable, inclusive and quality healthcare aligning with international regulations and to			measures impiementation	The MoHLSA is reporting on		national policy related to energy efficient measures for building	Standards are aligned with the	
						measures implementation	The MoHLSA is reporting on	any adverse effect on women.
promote healthy lifestyle	<ul> <li>Standards approved;</li> <li>At least XX social buildings are aligned with the national policy</li> </ul>	Target (2023):	No standards for social buildings investment;	Baseline (2020):		with the energy efficient national policy.	Number of social buildings aligned	women).
		institution's personnel in energy- efficiency issues		energy efficient measures for building	social infrastructures of the MoHLSA in line with national policy related to	scope, nature and budget projections for promoting energy efficient measures in	Realisation of TA for assessment of	

Q		principles				
human rights		private) respect Human rights				
TA to improve monitoring system on		nealth institutions (public and				
		מכנוזיונים גם בווסמו ב נוומר וווכוומו				
team		activities to ensure that mental				
Trainings of social workers in mobile		The Government is monitoring				
diagnosis registry	> Target (2023): XX%	ממפת פבן אוכבם				
TA to elaborate a mental health	> Baseline (2020): XX%	hazed continuous community				
partners and donors		dend				
and financial assistance from	treatment	deinstitutionalization and the		given to the gender dimension		
<ul> <li>Mobilize and coordinate technical</li> </ul>	% of patients receiving out patients	promotion of		Specific attention should be		
and stakeholders		model in XX regions with the	professionals			
of the strategy towards professionals	> Target (2023): increase XX%	Implementation of the new	with its partners trained	by the MoHLSA		
<ul> <li>Communication and dissemination</li> </ul>	> Baseline (2020): XXXXXX GEL		The Government in collaboration	general population, is elaborated		model
plans (2-3 years) and their monitoring:		approved by the Government		communication strategy for		mental nealth
2030 in different consecutives action	illnesses	roll out the model have been	care is elaborated by the MoHLSA	strategy, including	INIOCITICA	scale-up of the new
TA to roll out the Mental Health Strategy	Budget dedicated to mental	Changes in legal framework to	New of model of mental health	Mental health development		Ensure national
	> Target (2023): XX%					
	> Baseline (2020): 40%					
Telemedicine	percentage of CHE)		מץ מוכיווטוו של			
Study to define implementation of	health expenditures (GGHE-D as		primary health care are adopted			
	on health as percentage of current		revised package and costing of			
package and costing of primary health	General government expenditure		Recommendation related to			
Recommendation related to revised	> Target (2023): XX%					universal healthcare
	> Baseline (2020): <u>58%</u>	national level	MoHLSA	approved by the Government		efficiency of
for MoHLSA including best practices		is fully implemented at the	for medicines is developed by	is elaborated by MoHLSA and	NO.	effectiveness and
Study of innovative payment mechanism	Out of pocket on drugs:	Innovative payment mechanism	New reimbursement mechanism	innovative payment mechanism	Mol HSA	IIIpiove

	<ul> <li>&gt; Standards approved;</li> <li>&gt; At least XX medical buildings are built according to the national policy</li> </ul>					
	Target (2023):				MoHLSA	
	<ul><li>No standards for medical buildings investment;</li></ul>			and the thermal comfort of the existing and future buildings	MoESD and	
efficient measures for building	Baseline (2020):		The MoHLSA is starting a pilot	projections for future health infrastructures. This study aims		
infrastructures of the MoHLSA in line with national policy related to energy				the scope, nature and budget		infrastructures
efficient measures in health	national policy.	the MoHLSA.	efficient measures for building.	infrastructures, a study is		action plan (NEEAP)
projections for promoting energy	aligned with the energy efficient	building is delivered and used by	national policy related to energy	efficient measures in health		energy efficiency
Assessment of scope, nature and budget	Number of new medical buildings	The first energy efficient	Standards are aligned with the	In the view of promoting energy		Apply National
		1110000100)			•	
		measures)	ilicasules)			
		programmes and sanitary	measures			
		Points of entry (vector control	programmes and sanitary			
		,	Points of entry (vector control			
		management)				
		security and emergency	management)			
		(National security system/Civil	security and emergency			
		Emergency preparedness	(National security system/Civil			
			Emergency preparedness			
		Zoonotic disease			MoLHSA	
			Zoonotic disease			
,		health)				
		Antimicrobial resistance (One	health)	by WHO published in June 2019.		security
			Antimicrobial resistance (One	(JEE) of IHR core capacities done		regarding health
				with the joint external evaluation		regulations (IHR)
				health security capacities in line		international health
(JEE) of IHR core capacities		priorities :		budget projections to build		respect the
based on the joint external evaluation	To be defined	according to the Government	the Government priorities :	assess the scope, nature and		capacities to
according to the Government priorities	)	technical areas to be discussed	areas to be discussed according to	MoHLSA with its partners to		Georgia's core
Study to identify for technical areas	Target	Based on the JEE of IHR,	Based on the JEE of IHR, technical	A study is conducted by the		Maintain and build

	ANA IDE Idilliles, WITO die Idwinily					
	Target: By the end of 2023, at least	prepare an intermediary note presenting the number of	energy			
		By June 2023, the MoHLSA will	national legislation for efficiency			
			resettlement are aligned with the			
	living in XX CCCs (2021)		Investment related to IDPs			nousings.
	Raseline: about YYY IDD families are	assessment				thermal comfort
		month at the time of		assessment		(the "CCCs") in
		efficient housing over the last 12	month at the time of assessment.	the last 12 month at the time of		Collective Centers
vulnerability for granting housing	safe for their lives and health	sustainably resettled in energy	adequate housing over the last 12	resettled in durable housing over		Collapsing
energy-poverty as a criteria in assessing	energy efficient housings, which are	additional CCCs have been	nave been sustainably resettled in	cccs nave been sustainably		IUPS IIVING IN
scenariis and models to introduce	in newly built building are living in	lawfully living in at least XX	living in at least XX additional CCCs	living in at least XX additional	MOLHSA	resettlement of
TA to the IDP agency in developing	Policy objective: new allocated IDPs	IDP families (about 200)	IDP families (about 200) lawfully	IDP families (about 200) lawfully	MoESD and	Pursue the
		nent	Pillar 3. To optimize resources allocated to IDP needs and promote sustainable resettlement	allocated to IDP needs and p	nize resources	Pillar 3. To optir
mitigate health risks and exposure						objective n°3)
plan on air pollution peak in order to						(NEHAP – strategic
tools  In elaborating a coordinated action	> standards approved ;					
<ul> <li>Capacity building on statistics and IT</li> </ul>						
and preparedness for pollution peak	Target (2023):					change
early-warning systems (air quality)	case of peak of pollution				MoHLSA	health and climate
	> No early warning system in		the Government		MoESD and	limit impacts on
Assessing health risks of air pollution			influence on health is approved by			specific measures to
	Baseline (2020)	Association Agreement	exposure air pollution and its			development of
Centre for Disease Control:		harmonized according to the	information on population			monitoring and
Technical Assistance to the Nation	Target	Relevant legislation is	Strategy related to health-relevant			Promote air quality
		NOTION				
		developed and approved by the	convention		IVIOHESA	objective n°5)
		emissions reduction is	requirements of UNFCCC		MoESD and	(NEHAP – strategic
		health and social workers on ras	The legislation is aligned with the			
		Communication strategy for				
			9	MOHLSA		mitigation policies
			aspects) is elaborated	developed and approved by the		adaptation and
		emissions in national emission	and adaptation (health care	medical and social facilities) and		climate change
		share of greenhouse gas	climate change, health impacts	strategy and action plan (among		and social issues in
		Health care facilities reduce the	Evaluation of vulnerability to	National health care adaptation		Integrate health

migrants.  Develop suggestions for improving needs analysis of eco-migrant and fraud management  IT and database upgrade	Baseline (2020):  > No standards for specialized assistance for Eco-migrants;		to run pilot project XX region			
social inclusion measures for Eco-			Necessary regulation is elaborated	analysed.		(vulnerable to climate change)
needs of eco-migrants and policies	assistance:	approved by the MOHLSA				for Eco-migrants
Identifying specific socio-economic	naturel disasters receiving	measures for Eco-migrants are	MoHLSA	migrants.		inclusion measures
The second secon	direct climate change impacts and	roll out social inclusion	developed and adopted by the	inclusion measures for Eco-		implement social
TA to the IDP Agency on :	Number of households affected by	Necessary regulation changes to	New livelihood action plan is	Propose a model of social	MoLHSA	Develop and
	Target : XX					
	are not eligible for TSA assistance.			27		
	provided to vulnerable IDPs who		adverse effect on women.			
	Policy objective: Better support is		new program is not having any	their representatives (c3Os).		
			commissioned to ensure that the	their representatives (CCOs)		
Livelihood Action Plan (2022-2023)	Target 2023: at least XX %		A dedicated study is	information campaign relevant		
TA to IDP Agency in elaborating the New	Baseline 2020 : < <u>XX %</u>		project	focus on involving in the		
		sustainable revenues for IDPs.	eligible to conduct the pilot	the reform is implemented, with		
	informed on the reform	recommendations to ensure	trained professionals, who will be	Parliament members) to support		
tools to be included for data analysis	Estimated percentage of IDPs well	action plan and develop	The MoHLSA determined and	(including awareness rising for		
<ul> <li>Support in IT and database ungrade:</li> </ul>		assess impacts of the livelihood		A draft Communication Strategy		
representatives (CSOs, Member of	Target:	the MoHLSA and its partners to	to run a pilot project in $X$ ?			
campaign to IDPs and IDP		An evaluation is conducted by	The legal framework is elaborated	the Government		measures
<ul> <li>Organisation of public awareness</li> </ul>	monthly allowance system			law for the reform is adopted by		and social inclusion
Fine-tune new policy scenario	adopted reform regarding the IDP	analysed.		allowance to IDP needs, the draft		allowance system
1	relevant stakeholders about the	has been implemented and	IDPs is adopted by the MoHLSA	designed to better tailored the		reform of IDP's
TA to the MOHLSA and IDP agency:	Policy objective: Awareness of all	Pilot project to test the reform	New livelihood action plan for	Based on the analysis of models	MoLHSA	Implement the
	housing.	national legislation on energy efficiency .				
	sustainably resettled in durable	been resettled respecting				
	living in CCCs in 2021, have been	families which have already				

		v			v	 -
women).	least 50% of recipients are	At least XX	recommendations sent;	conducted and	Standards	larget (2023):
	of recipien	( household	ndations se	and	approved,	9:
	ts are	> At least XX households receiving	nt;		> Standards approved, monitoring	
		04			00	