

## **European Neighbourhood Instrument (ENI) 2014-2020 – Single Support Framework for EU Support to Georgia (2014-2017)**

The relationship between Georgia and the European Union has been guided by the Partnership and Cooperation Agreement (PCA) signed in 1999, and by the European Neighbourhood Policy Action Plan (ENP Action Plan) concluded in 2006. The PCA is to be replaced soon by the EU-Georgia Association Agreement (AA), which foreshadows a deep and comprehensive free trade area (DCFTA). The objective is to sign the AA in June 2014.

Georgia will have to implement the commitments linked to its political agreements with the EU, in line with the EU-Georgia Association Agenda (currently under negotiation, it will replace the ENP Action Plan). In particular, Georgia will have to ensure respect of the relative roles of the President and Prime Minister according to its new Constitution, improve the independence of the judicial system, improve media pluralism and independence, adopt and implement comprehensive anti-discrimination legislation, continue to advance sectoral reforms and ensure high quality approximation to the EU *acquis* in view of AA / DCFTA implementation.

Following the August 2008 conflict with Russia, around 20% of Georgian territory (Abkhazia and South Ossetia) remains beyond the control of the central government. The European Union fully supports Georgia's territorial integrity and sovereignty within its internationally recognised borders and works towards the peaceful resolution of the conflicts in the country and the region.

Following comprehensive consultation with the Government, Civil Society Organisations, multilateral and bilateral donors, International Financial Institutions and International Organisations, a consensus has been reached regarding three priority sectors of intervention<sup>1</sup> to be financed through the national envelope:

- **Public Administration Reform (indicative 25%)**

Although efforts have been undertaken, Georgia needs further to modernise the public administration system to both achieve its foreign policy objective of closer political and economic integration with the EU and to implement its wider reform programme. The Government has expressed its intention to professionalise the Civil Service, wishing to introduce a results-oriented management approach with efficient, accessible and transparent services provided at all levels of the public administration. The Government programme contains the commitment to decentralise some executive and fiscal competences to local public administrations.

- **Agriculture and Rural Development (indicative 30%)**

Employing over 50% of its population, the agriculture sector plays a key role in Georgia. The Government has acknowledged the importance of implementing agriculture and rural development policies in order to improve living conditions and diversify employment opportunities. The EU supports the implementation of the Agriculture Strategy for Georgia.

If the progressive depopulation of rural areas is to be halted and poverty to be alleviated, sustained efforts are required. Georgia will need not only to modernise agriculture, but also

---

<sup>1</sup> Shall the political circumstances allow, and in addition to funding from other EU instruments (such as the Instrument for Stability), the support foreseen in the priority sectors of intervention provided for by this document may be extended to support confidence building linked to the EU engagement policy in the breakaway territories.

to reduce dependency upon primary agriculture as a source of household income. Loss of arable land and integrated water management are important concerns, which need to be addressed to mitigate climate change. As such, all interventions must be designed in an environmentally sustainable manner.

- **Justice Sector Reform (indicative 25%)**

Since 2009, Justice has been a consistent priority for both Georgia and the EU with a focus on Rule of Law, democratic institutions, fundamental freedoms and respect for human rights. To date, in alignment with national priorities, most EU efforts have been geared towards criminal justice. The EU's privileged position with regard to policy dialogue; its added value for reinforcing a Human Rights-Based Approach; and coherence with the external dimension of EU policies, justify expanding its support to assist a wider reform of the justice sector. To address the shortcomings highlighted in the ENP Progress Report related to the independence of the judiciary, there is a need to reform both legislation and practices of the civil and administrative justice systems, and to increase access to justice.

In addition, complementary support for capacity development will address the implementation of commitments deriving from EU agreements and the dialogue on mobility, where not already covered by sector assistance; and complementary support to civil society will help Georgia's civil society build stronger democratic processes and accountability systems outside the three priority sectors. The development of civil society's professionalism and capacities, including their ability to form national associations and networks, and improving the delivery of services will also be targeted.

<i>Indicative allocation 2014-2020</i>	€610,000,000 – €746,000,000
<i>Indicative allocation for the 1<sup>st</sup> period (2014-2017)</i>	€335,000,000 – €410,000,000
<i>Breakdown for the 1st period</i>	
<i>Public Administration Reform</i>	25 %
<i>Agriculture and Rural Development</i>	30 %
<i>Justice Reform</i>	25 %
<i>Complementary Support for Capacity Development and Civil Society</i>	20 %