Post Rose Revolution Georgia has demonstrated strong economic growth that has carried on also in 2007. The World Bank and International Finance Corporation ranked Georgia 18th out of 178 economies in the ease of doing business. In January-June 2007 the GDP growth rate was 12.5% increase in comparison of the same period of the last year. The state reforms to strengthen public institutions, combat corruption and increase public accountability, along with integration into European and Euro-Atlantic structures have remained among the government’s priorities.

Translation of economic growth and many of the declared priorities into social sector investments, however, remained a challenge, impeding the process of the country’s sustainable development. In addition, prevailing shortfalls with regard to protection of human rights, independence of the judiciary, and socio-economic hardships faced by many, created fertile ground for civil and political unrests which took place in November 2007. In order to resolve the crises, President Saakashvili scheduled early presidential elections, moving the vote from autumn 2008 to January 5, 2008.

In addition to the above mentioned economic and socio-political developments, the UN operational context was dominated by the two long-simmering conflicts in the breakaway regions of Abkhazia and South Ossetia. Conflict resolution and the fate of IDPs are the overwhelming priorities for the UN partners in government, donor community, and civil society. However, the low level of civil servant retention throughout the year, especially after the November events, hindered sustainability of a number of partnerships established with the government.

Highlights on Progress in UN Reform

This year the UN Country Team continued to enhance coherence and joint initiatives. Issues of interest to the UNCT such as guidance and oversight of the work of UN Theme and Coordination Groups, elaboration of common UN positions regarding specific issues, and UN visibility activities, were jointly discussed and agreed upon. The RC Office rendered support to several non-resident UN organizations’ missions, such as UNAIDS, UNIDO, CTED, and IFAD.

Along with the frequent change of senior government officials, another major challenge for the UNCT programming is the absence of a national strategic development framework. The Basic Data and Directions (BDD), 2007-2011 and the European Neighborhood Policy (ENP) Action Plan Implementation Strategy 2007; however, provide opportunities for the UNCT to work towards aligning its programming with national priorities. To this end, the UNCT undertook a strategic positioning exercise whereby UN agencies identified priority areas for inter-agency collaboration in 2007: 1. HIV/AIDS, 2. Health, 3. Regional Development, 4. IDPs/Conflict Zones and 5. UNDAF Monitoring and Evaluation were identified as the critical areas for UN involvement and cross-agency partnership. UN theme groups were formed in each of the above mentioned five priority areas (replacing the previously existing groups) and lead agencies were identified for each of them.

3 European Integration and NATO membership have remained dominant directions of Georgian politics throughout 2007; in spring 2007 the government adopted 2007 Strategy for the implementation of the European Neighborhood Policy EU-Georgia Action Plan as well as continued work in the frameworks of NATO IPAP and Intensified Dialogue.
5 United Nations High Commissioner for Human Rights in her 8 November statement condemned the government’s disproportionate use of force including against Georgia’s Public Defender, to break up the demonstration in front of the Parliament of Georgia on 7 November.
6 President Saakashvili resigned on 25 November to start his campaign for reelection, this resignation left the Speaker of the Parliament Ms. Nino Burjanadze as interim President. Mikhail Saakashvili was reelected as the President in 5 January 2008 elections.
7 UNCT has closely followed the implementation of these documents. UNCT representative has participated in the biannual monitoring meeting of the European Neighborhood Policy EU - Georgia Action Plan Strategy of the Government of Georgia in July 2007.
At the second stage of the strategic positioning exercise a comprehensive assessment was carried out with the support of an external consultant. The assessment identified areas of UNCT work progress and the areas where more joint work could be done for greater effectiveness. The assessment revealed that territorial integrity, conflict resolution, and the fate of IDPs are overwhelming priorities for the majority of partners in government, the donor community and civil society. These issues successfully resonated with UNDAF priorities strengthening UNCT’s interest and commitment to work more on the concerns of IDPs as well as people residing in the conflict regions of Georgia. Please find more information about the UNCT follow up work to the positioning exercise in the section Highlights on Progress towards UNDAF Outcomes below.

UNCT cooperation and commitment to “One UN” has achieved considerable results in the joint work on policy instruments improving conditions for IDPs; Under UNHCR’s leadership, UN agencies have on one hand continued provision of the needed assistance to the IDPs, while on the other hand have fruitfully collaborated with the Ministry of Refugees and Accommodation and other stakeholders for the elaboration of the State Strategy for IDPs and the related IDP Action Plan.

Work has actively continued in the framework of the joint UNFPA, UNDP, UNICEF and RC Office project on Domestic Violence. In May, the UNCT, together with the Gender Equality Consultative Council of the parliament of Georgia, organized a country consultation between the UN Special Rapporteur on Violence against Women and senior government officials. This meeting was the first occasion when members of parliament, senior government officials from relevant ministries, and the Prosecutor-General’s Office as well as representatives of the judicial branch, came together to discuss ways for improved cooperation and coordination of their response to the problem of domestic violence. The UN Joint Project on Domestic Violence also contributed to the training of prosecutors and judges for improved implementation of the Law of Georgia on Combating Domestic Violence, Protection of and Support to Its Victims. A media campaign on domestic violence was carried out in the framework of 16 Days of Activism against Gender Violence from 25 November until 10 December, 2007. Upon the recommendation of the Joint Project Steering Committee, the UNCT agreed that from 2008 the focus of the project will be broadened to support better coordination on gender equality issues.

WFP assigned one of its staff to support the humanitarian function of the UNCT. A group of Avian Influenza focal points lead by WFP responded to the comments made by the Contingency Plans Review Committee in Geneva. In addition, the Group has made inputs to the web-based Avian Influenza “Readiness Tracker” and up-dated the UN Georgia Contingency Plan. The UNCT agreed to hold an Avian and Human Influenza simulation exercise in the beginning of 2008.

In July 2005 a United Nations Disaster Assessment and Coordination (UNDAC) mission studied the emergency response situation in the country. The UNDAC report concluded that Georgia’s institutional disaster management capacities are limited in terms of disaster prevention, mitigation, preparedness, and response. Building on the findings and recommendations of this report, and encouraged by the positive institutional and legal measures taken by the government in recent years in the field of disaster management, the UN agencies, with support of the Swiss Development Cooperation, engaged in technical assistance and cooperation with the Emergency Management Department (EMD) of the Ministry of Internal Affairs. In addition, UNDP, on behalf of the UNCT, hired a short-term National Emergency Consultant deployed in the EMD responsible for supporting the government in elaboration of a National Emergency Response Plan as well as a strategy for the development of an emergency management system in Georgia.

The UNCT partnership on HIV/AIDS was further strengthened by joint advocacy work on such sensitive issues as HIV/AIDS prevention and better financial allocations in the field of HIV/AIDS. UNCT agreed to make HIV/AIDS the focus of UN Week in 2007; Along with a number of advocacy initiatives, UNHCR, WFP, UNICEF, UNOMIG and the RC Office, in co-operation with WHO and the National Research Centre for Infectious Diseases, AIDS, and Clinical Immunology, organized a free HIV/AIDS voluntary counseling and testing. Free counseling and testing was offered in four major cities of Georgia. A public service announcement on HIV/AIDS featuring Ms. Nino Ananiashvili, the UN Goodwill Ambassador, was produced and aired informing citizens about free voluntary counselling and testing. The UN Country Team organized a number of other awareness raising initiatives targeting youth and the population of Georgia at large. Ms. Nino Ananiashvili, the UN Goodwill Ambassador hosted a charity ballet performance for vulnerable children. Over 1000 IDP and refugee children, orphans, street children and disabled children attended the performance.

Working towards enhanced aid coordination, the UN Resident Coordinator’s Office took on the responsibility of serving as the Secretariat for the Donor Coordination Group and established links with other sector specific coordination forums. The UN has played a critical role in supporting a policy dialogue between the donor community and the government of Georgia. These
developments have strengthened the strategic positioning of the UN Country Team vis-à-vis donor organizations as well as government partners. Georgia’s Donor Coordination Group experience was discussed as one of the best practices at an EU / US organized seminar on Donor Coordination for New Donors (Brussels, 6 December).

Monthly SMT meetings were held to exchange information about security incidents and take decisions and actions to strengthen the security of UNCT staff members. OMT met to discuss such common issues as premises, service, procurements, and HACT. During the year the UN House security systems were upgraded, there took place modification of the reception area, and minor repair works of the common area of the building. During the year the OMT initiated a number of commonly used procurement of services and supplies with joint efforts and resources. Corporate contracts with the GSM mobile-phone operator, office stationary and supplies, taxi services, printing/publication, editorial services were concluded.

The process of HACT implementation in Georgia has been largely rolled out. A number of micro assessments of the Government and NGO counterparts were already accomplished while some remain in progress; the usage of the FACE form was implemented in the beginning of the year formally approved by the UNCT. The Georgia Taskforce as one of the successful HACT countries held a telephone interview with UNDG/DGO team in October to review the HACT implementation process and identify successes and lessons learned.

Following the UNDG/UNAIDS joint memorandum, the UNCT entrusted UNFPA with the elaboration of a project proposal for establishing sustainable mechanisms for condom dissemination among UN staff. UNCT Georgia received the funding.

UNHCR Georgia received funding for a project entitled “Winterization Assistance to Vulnerable Individuals Living in Collective Centres in South Ossetia”, in the amount of USD 161,599, from the Rapid Response window of the Central Emergency Response Fund (CERF). This was the first time Georgia had received funding from the CERF.

Highlights on Progress towards UNDAF Outcomes

In 2005, the UNCT, in close partnership with the government of Georgia, civil society and other national and international partners, elaborated and endorsed the United Nations Development Assistance Framework (UNDAF) for 2006-2010. The UNDAF identifies poverty, governance, basic social services, volatility and instability, and the environment as inter-related critical areas for the UNCT’s work in Georgia in 2006-2010. Two major reviews of the UNDAF process will be conducted during the five year cycle: a midterm review in 2008 and a final UNDAF evaluation in 2009, which will be used to guide planning for the future UNDAF cycle.

Following up on the findings of the UNCT positioning exercise mentioned above, the UN Theme Group on IDPs and Conflict Areas under UNHCR leadership carried out a mapping of UN activities by sector and location in the conflict regions of Georgia (Abkhazia and South Ossetia). As a result, the need for the UN’s greater presence and stronger coordination, in Abkhazia, especially in light of complementing UNOMIG peacekeeping operations, became obvious. Upon the UNCT’s request the RC office elaborated the initial TOR for the UN joint Review of Socio-Economic Needs of Abkhazia that was to provide solid ground for developing a UN joint programme in Abkhazia. Under the overall coordination of UNICEF, four other UN agencies (UNDP, UNHCR, WFP and FAO) proceeded with the joint Review. The review focused on the ongoing activities of the UN agencies and other partners as well as identified existing gaps in terms of unmet needs. Based on the findings of the Review, a team of UN staff/consultants prepared a detailed report containing recommendations for the development of the UN joint programme, encompassing multi-sector rehabilitation, humanitarian as well as development initiatives. Following the UNCT request, the UN Theme Group on IDPs and Conflict Areas under UNHCR leadership is to finalize the elaboration of the UN multi-sector joint programme proposal for Abkhazia in the first quarter of 2008.

As a result of work of the UN Theme Group on HIV/AIDS under UNICEF leadership, another UN joint programme to help Georgia in meeting internationally and nationally declared targets for universal access to HIV/AIDS prevention, care, treatment and support was finalized and presented to the donor community in February 2007. UNICEF, UNDP, UNFPA, WHO, UNHCR, IOM, WFP and the World Bank jointly elaborated this programme based on the “National Strategy for Universal Access” developed by the Ministry of Labour, Health and Social Affairs of Georgia and the National AIDS Centre. The Programme aims at improving national capacity for HIV/AIDS, and at reaching especially vulnerable segments of the population, including those
affected by conflicts. In September, the UN Secretary General's Special Envoy on HIV/AIDS in Eastern Europe visited Georgia. The primary goal of Mr. Kallings' visit to the country was to foster a high-level policy dialogue on HIV/AIDS. In 2007 UNAIDS hired a part-time HIV/AIDS advisor to the UNCT.

UNFPA has lead the work of the UNDAF Monitoring and Evaluation Theme Group to update the UNDAF Monitoring and Evaluation Framework indicators. This exercise will show its benefits especially in 2008 in the UNDAF mid-term review process.

UNDP lead the UN Theme Group on Regional Development, which undertook the mapping of UN agencies' activities by sector and region providing recommendations for enhanced coordination and complementarity. The results of this work will become also more tangible and apparent from 2008.

The UNCT agreed to the UNDP Gender Mainstreaming Project proposal to apply a tool developed by the Gender Equality Task Force at UNDGO to explore UNDAF from the gender equality prospective. Gender focal points from UNDP, UNFPA and the RC Office with the support of two local consultants have carried out an UNDAF gender review and came up with recommendations for making UNDAF more gender sensitive.

Building up on the findings and recommendations of the 2006 legal analysis of the UN Status Agreements, the UNCT managed to effectively advocate Georgia’s accession to the UN 1946 Convention on the Privileges and Immunities and the UN 1947 Convention on the Privileges and Immunities of the Specialized Agencies. As a result, the clauses contained in the agencies’ Basic Agreements with regard to UN privileges and immunities have been strengthened further.

Along with the new UN Theme Groups, UN Coordination Groups on such crosscutting issues as human rights and communication were formed. The UN Communication Coordination Group lead by DPI elaborated and implemented the UNCT communication strategy. Under the leadership of the RC Office, the staff of all the UN agencies present in Georgia, together with the DPI Officer, actively collaborated to update and make bilingual the UNCT webpage (www.ungeorgia.ge). The webpage was launched during UN week and has already proven to be another practical tool to increase awareness about UN activities in the country, as well as receive feedback from partners and beneficiaries. The RC Office supported the training of the focal points from all UN agencies in web-page administration.

OHCHR, strengthened its presence in the country by recruiting a Senior Regional Human Rights Advisor. OHCHR continued to lead the work of the UN Human Rights Coordination Group that has kept the UNCT up-dated about major human rights developments in Georgia as well as globally.

The UNCT welcomed ILO as a new member, represented by the Chief Technical Advisor of its regional project “Development of comprehensive anti-trafficking response in Armenia, Azerbaijan and Georgia.”

The RC Office coordinated the preparation of the UNCT Annual Report highlighting the work of the UN agencies in 2007 and plans for 2008. The Annual Report has been published in Georgian and English and distributed to partners in government, civil society and the donor community. The RC, on behalf of the UNCT, undertook preparatory work with the Prime Minister of Georgia for holding a UNCT annual review meeting in the end of November 2007. However, due to the change of the Prime Minister, the UNCT decided to hold the annual review meeting after the new government is formed by late January 2008. This meeting of the UNCT with the new government of Georgia is planned in the first quarter of 2008 and is envisaged to pave the way for the UNDAF mid-term review in 2008.

**Key Aspects for the Proposed 2008 Workplan**

The UNDAF mid-term review will be the main focus of the UNCT work in 2008. The first quarter of the year will be devoted to the elaboration of the UNDAF mid-term review methodology. This work will be lead by the RC Office, an international consultant, and the UNDAF Monitoring and Evaluation Theme Group. The actual review will be carried out in the second and third quarters of 2008.

In 2008 the UNCT will continue to work in the following inter-related directions:
1. Enhancing relationship with the government through high level policy dialogue around the areas where the UNCT has comparative advantage; the UNDAF mid-term review will be the backbone of the UNCT’s work in this direction. Along with the UNDAF mid-term review process, a more detailed 2008 annual work plan and annual review process will be used to offer government partners an immediate sense of the UNCT’s commitment to current priorities. It is expected that with the formation of a new government in late January 2008, government priorities will make an important shift towards tackling the problem of poverty and social marginalization. Taking advantage of this shift in 2008, UNCT will advocate with the government in favor of more sustainable poverty reduction strategies.

2. Strengthening partnership with the donor community for improved coordination and seeking support for joint UN initiatives; The activities envisioned in these directions of work aim at demonstration of One UN working together. The UN RC Office will continue to serve as the Donor Coordination Group Secretariat.

3. Expanding towards more coherent assistance in the conflict areas; the documents mapping the UN work in the conflict regions of Georgia will be regularly updated. The UN Theme Group on IDPs and Conflict Areas serves as a tangible mechanism for the coordinated work of the UN in Abkhazia and South Ossetia.

4. Strengthening of partnership with civil society organizations, especially on issues encompassed by the MDG framework; Consultations with national NGOs and other members of civil society is an integral part of a well-managed and participatory collaborative consultation system; this component is critical also for the UNDAF mid-term review and the strategic positioning of the UNCT.

Work will be continued in the framework of the UN joint project on gender equality. UN theme and coordination groups will continue to work as per their agreed TORs. The OMT and SMT will also continue their routine functioning. Through the SMT, the RC will begin discussions with the government towards identification of a more secure building for UN House. Building on the work carried out with the Emergency Management Department of the Ministry of Internal Affairs as well as in the field of contingency planning, the DMT will be revitalized and made functional with support from SDC.