The 2015 Annual Letter to the Secretary General Tbilisi, Georgia, January 2016

Brief description of major development or political and economic events that have had an effect on the work of the UNCT.

Over the last decade, Georgia benefited from significant political, social and economic development reflected in improved human development (there has been an average annual increase in HDI of just under 1% since 2000), improvements in governance, significant decrease in corruption, increased rule of law and an improved legal framework. Clear progress was evident in 2015 towards democratic consolidation and Euro integration, with EU Visa Liberalization Action Plan completion a landmark event. Georgia also became ECA regional leader in the Transparency International Corruptions Perceptions Index in the past year. However, there are still many challenges, including in the areas of access to justice, health, employment and quality of education.

It should also be noted that the economy continues to suffer from external shocks due to significant slowdowns in major trading partners, especially in Russia. As a result, net exports and remittances fell and the currency devalued sharply, with real GDP growth slumping to 2% in 2015, the lowest in 15 years (IMF projection). A flexible exchange rate and increased tourism provided some relief, with unemployment declining slightly. This was mainly driven by job creation in the capital. However, social conditions deteriorated for those affected by growing inflation (CPI 4.9; 2015) and poverty remains a major problem with increasing extreme poverty from 9.7% (2013) to 11.4% (2014).

Throughout the year, the UNCT agencies have been implementing programmes and projects aimed at alleviating the negative effects of those challenges on local population. Activities included, but were not limited to, advocating for further improvement of access to justice for the most vulnerable groups, facilitating progress in the health area (especially in the area of maternal health – MDG 5), quality of pre-school and secondary education, and job creation. Those areas also prominently feature in the new 2016-2020 UN Partnership for Sustainable Development (UNPSD), which was finalized and signed in 2015.

Finally, a highly turbulent regional political environment further challenged Georgia's relations with the breakaway regions. New strategic agreements between Russia and both further complicated the situation, while the Geneva International Discussions (GID) continued to struggle to produce tangible results. This reinforces the importance of maintaining dialogue and cooperation among the GID participants through development and recovery activities.

Highlights on progress on joined up work. Summarize the three most significant achievements in delivering together for development. Consider the following as key areas to note where possible:

i) <u>Support to the national government in the advancing the achievement of the</u> <u>Sustainable Development Goals (SDGs), and activities related to the 2030</u> <u>agenda</u>

The RC Office organized a SDG round table with senior members of the Government of Georgia in July 2015. The main outcomes of the meeting were agreement to prioritise SDG goals in relation to the Georgian context; the integration of SDGs in national strategic and planning documents and consideration of ways to strengthen measurement of progress in realising the SDGs.

To strengthen the SDG awareness and ownership of the Georgian Government, the RC Office also facilitated the participation of representatives of the Government of Georgia in the SDG Summit in September 2015 and the "Mainstreaming, Acceleration and Policy Support" (MAPS) Retreat in November 2015 in New York. Based on these various initiatives, the Government's Annual work plan has been amended to incorporate the 11 prioritised SDGs.

In full alignment with preparation for the SDGs, the 2016-2020 UN Partnership for Sustainable Development (UNPSD) was finalized and signed by the Prime Minister of Georgia, UN RC and the UNCT members on 20 November 2015.

ii) <u>Support to the national government in the area of Human Rights including</u> gender equality

In 2015, UN advocated for values such as human rights and gender equality in support of national development priorities and internationally agreed development goals such as the SDGs. Following the involvement of UN and other actors, the Georgian Government introduced extensive policy changes for the implementation of its first comprehensive long-term Human Rights Strategy (2014-2020) and the first bi-annual National Human Rights Action Plan (NHRAP).

Implementation of the Action Plans was supported by the UNCT inter alia through training on international human rights standards for prison officials. UN and NHRAP Secretariat based in the office of the Prime Minister of Georgia conducted a campaign throughout Georgia in order to update the NHRAP for 2016-2017; regionally collect relevant information on HR related challenges and priorities and raise awareness on existing priorities and the NHRAP among local officials and civil society organizations.

In addition, UNCT members supported discussions aimed at addressing the most challenging parts of the NHRAP, such as the reform of the Ministry of Internal Affairs and a proposal to create an independent body to investigate serious human rights abuses. OHCHR also provided ad hoc advice on UN human rights standards to the NHRAP Secretariat, relevant ministries and civil society organizations.

iii) <u>Progress on preparedness, and Post-crisis transition results achieved in</u> <u>cooperation with political, and humanitarian actors</u>

The UNCT continued to painstakingly safeguard humanitarian and development access in Abkhazia through a principled stance based on impartiality and neutrality which maintains the UN in a central position with regard to support of the local population.

To support the work of the humanitarian and development community overall in Abkhazia the UN RC leads the Abkhazia Strategic Partnership (ASP) which coordinates the work of all agencies active on the territory. In 2015, the ASP strategy and organization was revised based on an evolving operational context and greater emphasis was placed on decision-making in the field.

At the political level the UN participates in the GID. At the operational level the UN supports recovery of the people in Abkhazia from the effects of conflict and post-conflict isolation. In 2015 the UN together with its international and local NGO partners continued to implement 39 projects in the field of health, education, agriculture and livelihoods, environment, confidence building and protection. Socio-economic development and civil society support also aims at contributing to an environment in which political progress could be made.

Results of joined up approaches: To illustrate the impact of joined up work, describe the results of joined up approaches of the UNCT. Consider the following as guiding questions:

i) <u>New partnerships formed in 2015</u>

Establishing new partnerships with donors remained a priority for the UN, in view of the falling core resources and ODA. An essentially new partnership was fostered with the Government of Turkey which represents a real breakthrough globally. As a result, the UN has mobilized over USD 500,000 from the Turkish government for conflict prevention related activities.

UN has also established an innovative partnership with the World Bank, ILO and Swiss Cooperation Office in the South Caucasus in the first of its kind systematic attempt to discuss the employment challenges across the region, share experiences in the South-South cooperation format and seek appropriate solutions. The highly successful Regional Employment Forum attended by the senior decision-makers from Georgia and from the region, covered the macroeconomic challenges, private sector perspective, labor market education and skills and inclusion issues in depth. The event produced a number of policy recommendations that will serve as a guide to UN Georgia in its further focus in this area.

Similarly, UN partnered with the European Commission and the Ministry of Foreign Affairs of Georgia in preparation of a high-level conference for EU Neighbourhood Countries on gender equality and women's rights that resulted in Tbilisi Declaration. High Representative of the European Union for Foreign Affairs and Security Policy/ Vice-President of the Commission, Federica Mogherini was among key speakers addressing the participants of this international forum.

ii) Joint resource mobilization efforts

In 2015, the following measures were taken by the RC and UNCT to increase and improve the UN's efforts to jointly mobilize resources:

- Donor Database containing information on bilateral, multilateral and private funding agencies. The database was up and running in the second half of the year and is sought to be updated regularly.
- Partner Information Bulletin' providing the latest updates regarding the donor/ funding environment in the country and the region.
- Resource Mobilization Strategy (RMS), which aims to enhance coordination among agencies in order to improve funding opportunities to be finalised in the beginning of 2016 following the formulation of the UNCT joint work plans under the new 2016-2020 UNPSD, as the RMS and JWPs are closely linked.

iii) Adopting elements of the Delivering As One Approach.

The UNCT agreed to formulate annual joint work plans (JWPs) within the 2016-2020 UNPSD. The JWPs include programmatic and budgetary information of all UN agencies in the country and are being prepared for each of the eight outcomes of the UNPSD. The JWPs will help the UNCT to achieve greater impact, coherence, coordination and funding opportunities.

Upon RC/UNCT request, the Georgia Operations Management Team drafted a Business Operations Strategy (BOS) roadmap in order to achieve far greater operational coherence and economies of scale. BOS implementation will start in 2016 and coincide with the UNPSD cycle.

Upcoming opportunities for 2016: Potential upcoming opportunities for the UN Country Team to support national partners in integrated development policy and programme development

The SDGs constitute the main upcoming opportunity for the UNCT to support national partners in integrated development policy and programme development. The UN will continue to advocate for mainstreaming the SDGs in the forthcoming Government strategic documents and will support the progress in achieving the SDGs within the scope of its mandate and available resources. It is expected that among other things, UN will support the Government in measuring progress to make sure that that the implementation rate is measured and gaps identified on a continuous basis. Introducing interim targets and strengthening statistical systems will also be instrumental during this process.