

COUNTRY PROFILE

NOVEMBER 2008



Internally displaced children outside a former medical center in Tbilisi look on as USAID hygiene kits are distributed to families.

OVERVIEW

Georgia is an important US ally in the war on terrorism and a gateway for energy resources from the region to Europe and beyond. Since the Rose Revolution of 2003, the Georgian government has carried out a number of democratic and economic reforms aimed at raising the living standards of its citizens. With the support of the United States, other members of the international community, and the commitment of Georgia's leadership and people, Georgia can become a vibrant, free-market, and stable democracy. Towards this aim, USAID focuses on good governance and the rule of law, economic growth and energy security, health, and education.



Tbilisi

Since early August 2008, heightened tension between a South Ossetian separatist group and Georgian and Russian armed forces escalated into armed conflict, affecting areas within Georgia. Fighting and aerial attacks killed an unconfirmed number of civilians, displaced more than 100 thousand people, and damaged or destroyed public infrastructure. Immediately after the conflict began the US Government responded to the emergency needs of conflict-affected populations. During the first month of the conflict the USG provided nearly \$40 million in humanitarian assistance.

During the October 22, 2008 Georgia Donors Conference, Director of US Foreign Assistance Henrietta Fore formally pledged \$1 billion in US assistance to support Georgia's economic recovery as previously announced by the President and Secretary of State. USAID is working closely with Georgian counterparts and international donors to direct assistance to priorities outlined in the World Bank's Joint Needs Assessment and to support the GOG commitment to strengthening democratic processes. In response to these needs, US Government assistance will support internally displaced people, rebuild infrastructure, reestablish economic growth, expand democratic initiatives, and help restore investor confidence in the Georgian economy.

PROGRAMS

STRENGTHEN POST-ROSE REVOLUTION GOVERNANCE

After August 2008 conflict with Russia the GOG reconfirmed its commitment to expanded democratic initiatives which include strengthening the checks and balances of Georgia's democratic institutions; provision of additional resources and protections to foster greater political pluralism; strengthening of the rule of law by introducing enhanced due process trials by jury and lifetime judicial appointments; and expanding and deepening the protection of private property. USAID works with the Parliament of Georgia to develop the structure of national parliamentary factions, promote parliamentary committee outreach, and support multiparty discussion and debate on reform policy

GEORGIA SNAPSHOT

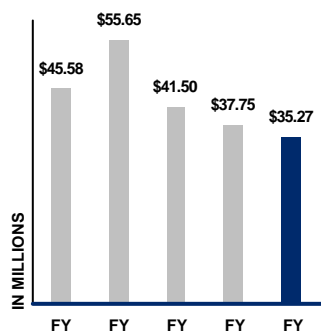
Date of independence:
9 April 1991
Capital: Tbilisi
Population: 4.5 million
GDP per capita: \$2,315.2

For more information
see georgia.usaid.gov

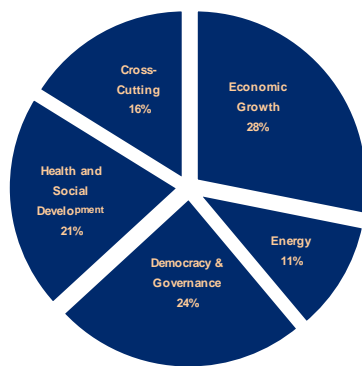
COUNTRY PROFILE CONTINUED

USAID DEVELOPMENT ASSISTANCE TO GEORGIA

(Charts do not reflect funds provided for humanitarian assistance)



Percent of FY 2008 Budget for Each Area



Democracy & Governance: \$8,629,000
 Economic Growth: \$10,014,000
 Energy: \$3,732,000
 Health and Social Development: \$7,355,000
 Cross-Cutting: \$5,538,263

Funding Source: Freedom Support Funds

Data Source: USAID/Caucasus Budget Tables

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and legislation. USAID helps the parliament to improve the legislation research and policy development capacity of targeted parliamentary bodies through an internship program and an advisory board to the Speaker of Parliament; and through development of a targeted campaign to improve the organizing skills of emerging women leaders. USAID helps local governments take on increased responsibilities and engage citizens in decision-making. Working at the local level, USAID provides assistance to engage minority groups living in isolated regions.

USAID helps the Georgian judiciary with implementation of the magistrates system, updating the ethics code, skills training such as opinion writing and court administration, and case management. USAID supports the Georgian government in developing anti-trafficking in persons legislation, provides assistance to a local NGO to protect victims, and assists with public awareness campaigns.

STIMULATE GEORGIA'S ECONOMY

In 2008 Georgia has moved up to 15th place among 181 countries surveyed on the World Bank's annual Doing Business ranking based on the efficiency of ten common business transactions with government. Georgia started its march towards the top from 112th place in 2005, when the World Bank and IFC launched the annual ranking. However, economic growth remains slow. USAID works with the government to continue to develop and implement reforms that make it easier for businesses to operate, pay taxes, and attract investment. Small and medium sized businesses are being supported by increasing their access to capital, improving their ability to advocate to the government, and upgrading their business skills. Agribusinesses are being provided assistance to find new markets, increase the competitiveness of Georgia's agricultural exports, and develop locally produced goods. Rural communities helped to create and implement community economic development plans and expand rural enterprises. USAID assists the government to complete the privatization of state-owned agricultural lands.

IMPROVED ACCESS TO MODERN ENERGY SERVICES

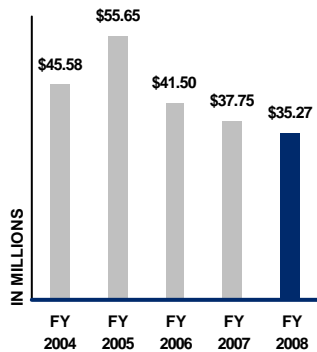
During the last few years the Government of Georgia implemented a number of reforms in the energy sector, which resulted in increased power supplies nationwide. Yet overall, energy services still do not meet social needs or the economic demands of investors. Currently, USAID supports the government of Georgia in developing Georgia's energy resources; lessening dependence on imports; diversifying supply and import sources; and maximizing the benefits of regional energy transit and trade. USAID resources are used to increase electricity capacity at hydropower plants; leverage financing for rural energy and energy efficiency projects; and provide training and technical assistance to support human and institutional capacity to develop and implement energy policy and regulations which encourage investment in the sector.

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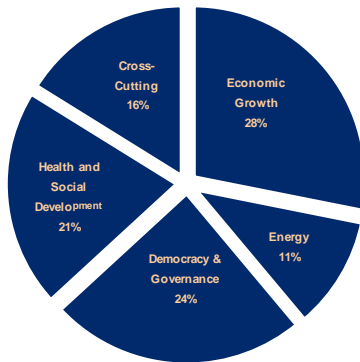
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WORK FOR A HEALTHIER, MORE SECURE POPULATION

USAID programs focus on health, education and child welfare reforms. An education project helps the Government of Georgia to decentralize education, improve management and create a national accreditation system. USAID resources are used to help street children and other vulnerable and at-risk children and improve government coordination and community involvement in social policy. The health program includes: partnerships between Georgian and American health institutions; women's health activities targeted on improving maternal and child care and increasing the use of family planning and reproductive health services, infectious diseases management and prevention programs for STI/HIV and tuberculosis; and children's immunization. USAID provides technical assistance to the government of Georgia to implement reforms in healthcare sector.