



Government Programme

“For Strong, Democratic and Unified Georgia”

December, 2015

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Government Programme

“For Strong, Democratic and Unified Georgia”

General Provisions

Three years after coming to power the Georgian Dream Coalition’s main objective remains invariably the same: to build a unified, strong and democratic state based on rule of law principles. The Government has implemented a series of changes and fundamental reforms bringing the development of the country to a new level. Important steps have been taken impacting both domestic and foreign policy.

Georgia continues to develop institutions based on democratic values; government agencies pursue a mutually balanced co-operation; the legislative framework has been significantly improved; fundamental justice reform is ongoing; establishing the rule of law has become an irreversible process; the State guarantees the inviolability of constitutional rights of its own citizens; respect for freedom of expression has been achieved; Georgia has set a precedent for democratic elections; decentralization of power has been achieved and real self-government has been established.

European and Euro-Atlantic integration – a firm choice of our people remains the fixed strategic objective of the country.

By signing the Association Agreement, Georgia made a historical step forward, which brought its relations with the European Union to a qualitatively newer level making the country’s political association and economic integration an irreversible process. The Parliament of Georgia ratified the Agreement on 18 July 2014, followed by ratification by the European Parliament and all EU Member States. With the start of provisional application of the Association Agreement as of 1 September 2014, European integration became part of Georgia’s domestic policy. The Association Agreement provides a real legal basis for Georgia’s European transformation and an important investment in Georgia’s security and prosperity. By consistently implementing the Deep and Comprehensive Free Trade Area component, Georgia will become part of the EU economic area.

The Association Agreement covers a broad range of areas of political, social and economic life. Large-scale reforms, therefore, will contribute to the protection of human rights, consolidation of democracy, higher level of transparency, effective governance, strengthening of security and regional co-operation, formation of stable macro-economic environment and favourable business climate. The Agreement is in full compliance with the Government's vision about the socio-economic development of the country. These reforms are designed to help Georgia transform itself into a European-type democracy. Respective institutional and administrative mechanisms have been put into operation to ensure the effective implementation of the Association Agreement. Work is in progress to bring the domestic law into line with the EU acquis, as stipulated by the Association Agreement.

A series of reforms carried out by the Government has made visa-free access to EU countries a short-term prospect. According to the European Commission's progress report of 18 December 2015, "the Commission considers that Georgia meets all the benchmarks set in respect of the four blocks of the second phase of the Visa Liberalisation Action Plan (VLAP). Taking into account overall relations between the EU and Georgia, the Commission will present, early 2016, a legislative proposal to amend Regulation (EC) No 539/2001". Once the amendments enter into force, Georgian nationals will be granted visa-free travel to the Schengen area. The Visa Liberalisation Action Plan has contributed to the implementation of reforms in various areas, including in the fight against organized crime, corruption, trafficking, money laundering and drugs; judicial and law enforcement co-operation; personal data protection; human rights protection; document security; border and migration management.

Based on VLAP requirements, more than 65 law amendments, up to 80 statutory acts and 9 national strategies were adopted; 7 international conventions were ratified.

The Government continues to pursue cooperation with the NATO with the goal of increasing the level of integration and eventually becoming a member of this organization. Georgia's NATO membership is a guarantee of security and stability and can, therefore, contribute to the country's democratic development, as well as to its economic growth and prosperity.

The Georgian Government's economic policy is based on the values and principles of free market economy. The Government will continue to work towards overcoming

unemployment and poverty, as well as towards creating decent working conditions for citizens; efforts will continue to promote the development of small- and medium-sized businesses and agriculture; the level of protection of private property and labour rights will further improve; the Government will ensure the country's integration into the world economic system; will further provide decent living conditions for unemployable citizens; will continue to preserve the country's cultural heritage, and to modernize educational, as well as social and economic systems.

The Government will further promote democratic processes and will take maximum efforts to create free and democratic electoral environment to ensure that all political parties enjoy a level playing field and equal chances to succeed in the upcoming parliamentary elections.

The Government's policy will continue to reflect the will and interests of people.

Programme Directions

Business and Investment Climate Reforms

To ensure the development of free trade and competitive market, the Government will develop effective enforcement mechanisms, including through the strengthening of independent institutions. Furthermore, the Government will contribute to the removal of artificial barriers hindering the growth and development of companies. Investment laws will be revised to improve the investment climate and to boost confidence of investors.

To ensure the effective operation of business, the Government, based on the international best practices, will contribute to the use of mediation in commercial dispute resolution and will ensure the independence of mediators.

To create stable and predictable environment for the development of business, the Government will ensure maximum transparency and involvement of all stakeholders in the drafting of business laws. Besides, to relieve business from additional burden, Regulatory Impact Assessment (RIA) system will be developed to analyse how new legislative initiatives, as well as existing laws may impact the business environment and economy.

For the further improvement of business environment, amendments to the Insolvency Law have been drafted; work is underway to further upgrade application procedures for construction permits; and to improve the protection of rights of small shareholders, etc.

The process of sharing international best practices has been launched and is ongoing through the support of donors, which is aimed at the further development of cooperation between the public and private sectors, as well as at the effective use of Public Private Partnership

(PPP) mechanism. Efforts are underway to develop an effective Public Private Partnership (PPP) mechanism in Georgia in close cooperation with the international partners, taking into consideration the specifics of the country and the realities it is facing.

For the further development of the investment environment, the Government, through cooperation with the European Bank for Reconstruction and Development (EBRD), set up Investors' Council which comprises representatives of the Government, business community and international organizations. The Council represents a platform for conducting a dialogue for the improvement of communication between the government and the business as well as for the exchange of initiatives and ideas between them.

The Government's goal is to ensure the rational use of state-owned assets and to deploy unused assets for economic gain through turning them into private property. With this goal in mind, the privatization process will continue actively; detailed inventory of state-owned assets will be completed; state-owned enterprises will be optimized. The Government will transparently and effectively conduct the state property management and privatization process.

To contribute to export growth and investment inflows, the Government of Georgia will actively co-operate with representatives of the Georgian Diasporas in attracting Diaspora investments and foreign direct investments through the assistance of Diasporas, in promoting Georgian goods in the host countries and increasing exports. It will encourage economic growth, as well as will maintain and further reinforce Georgian Diasporas' links with Georgia.

Development of Entrepreneurship

With the goal of supporting entrepreneurship, including small-, medium-sized and startup businesses, the Government will contribute to the development of entrepreneurial skills for small and medium-sized business owners, availability of financial resources, the strengthening of startup businesses and businessmen's export capacities, as well as to increased access to innovations and technologies. Small- and medium-sized business strategy and related action plan is now developed to promote the development of small- and medium-sized businesses in Georgia and the introduction of international best practices and policy in this area. This will have a positive impact and will increase employment and self-employment opportunities. Special attention will be paid to the development of small business in the highland regions.

Startup funding mechanisms and support programmes will be created for the development of small- and medium-sized businesses.

The Entrepreneurship Development Agency will continue to effectively carry out the Produce in Georgia Government Programme, which envisages providing those intending to start up and develop business with an increased access to funding, infrastructure, technical assistance, consultations, innovations and modern technologies.

To promote economic activities in the regions, especially in the economically vulnerable ones, micro and small business promotion project was launched within the Produce in Georgia Programme, which is focused on promoting micro and small business activities through increasing financial support and developing entrepreneurial skills.

The Produce in Georgia Government Programme will incorporate new components: development of hotel industry in the regions, which, in parallel to increasing the availability of financial resources, envisages providing consultation services as well; introduction of famous international brands through co-funding of franchise contracts that is also very important in terms of bringing international brands to Georgia and establishing modern service standards in the country; efforts have been stepped up to promote film industry as well, which means co-funding of film production costs. The film industry promotion initiative will give a powerful impetus to sectors relating to the production of feature films and television films, TV series and miniseries, animated films, creative documentaries and music videos.

The Government will deepen co-operation with the existing and potential trade partners to achieve Georgia's integration with the international economic space, promotion of export and diversification of export markets.

Reforms to Increase Access to Finance

To provide the population and the business with increased access to investment resources/finance, reforms are underway in the following areas:

The development of the capital market, which is important in terms of providing access to alternate funding options.

The deposit insurance system: in co-operation with respective agencies, work is currently underway to develop a system, which will be used to insure deposits, on the one hand, and on the other, will promote the accumulation of additional financial resources within the financial institutions.

The pension system reform: the reform envisages transition to the accumulation principle of private pension funds. The new pension system will serve as an additional option of the existing pension system, which, in the long-term perspective, will improve the social protection of the population, will increase the amount of savings, and consequently, will enhance access to investment resources.

Export credit: It is important to develop additional financial support capabilities in order to encourage the development of export. For this goal, the Government plans to establish an export credit institution.

Promotion of Labour Market Development

One of the Government's priorities is to contribute to the development of effective and civilized labour market. The main goals of the government policy in terms of the formation of labour market are as follows: rational use of human resources; promotion of effective employment; consistent reduction of unemployment and qualitative improvement of the labour force. Under the aegis of the EU twinning programme titled "Capacity Building of the Employment Support Services (ESS) in Georgia", arrangements will be made in 2016, as well as in the coming year to ensure the development of fully accessible support services giving citizens an access to professional and career development.

Active cooperation will continue with international organizations and partner countries to encourage labour and employment.

Development of Agriculture

The Georgian Government's one of the overriding priorities is the development of agriculture, the most important guarantee of which can be a clearly-defined agrarian policy and considerable increase of financial resources in this sector.

The strategic vision of the development of Georgian agriculture stipulates that it is necessary to create an environment based on the principles of sustainable development, which would increase competitiveness in agriculture, contribute to stable growth in the production of quality goods, ensure food safety and security, and eliminate poverty in rural areas.

Within the framework of the Association Agreement, comprehensive reforms will be carried out in all relevant directions, in the area of food safety, in particular. Georgian entrepreneurs will be able to phase in international and European standards, which will increase the

production and supply of quality products and subsequently, will improve their competitiveness in the European market.

Within the framework of the agrarian policy, efforts will be made to improve farmers' competitiveness; to set up register of farmers; to provide the agricultural sector with equipment and raw materials; to promote the development of agrarian land market; to develop and strengthen farm credit, leasing and insurance systems; to provide small and medium farmers with access to financial resources; to further develop farmer cooperatives/associations; to support agro-processing industry and storage, sorting, packaging and distribution sectors; to improve advisory and consulting services and scientific support for agrarian workers; to improve and stimulate business environment; to promote diversification of export markets and popularization of agricultural products produced in Georgia; to ensure food safety, food security and to maintain agrobiodiversity; to further develop regional and agricultural infrastructure, including rehabilitation of irrigation and drainage systems. Special attention will be devoted to the development of quality seed and plant production. Agricultural development policy will be elaborated incorporating locally existing social, economic and cultural peculiarities. Respective sectoral development programmes will be elaborated and implemented with due regard for specialized agricultural production zones. Modern technologies will be used to develop a full agricultural production cycle.

The implementation of the aforesaid policy will increase productiveness, cost-effectiveness and competitiveness of the agrarian sector, will enhance agricultural incomes and will also improve the living conditions in the regions. The agricultural sector will create new jobs in the coming years, will help the self-employed boost their earnings and will reduce unemployment in rural areas. As a result, agricultural foodstuffs produced in Georgia will find their rightful place both in domestic and international markets.

Development of Tourism

The Government of Georgia will contribute to the development of tourism – one of the main preconditions for boosting economy, as well as for increasing income and employment opportunities. Development of tourist infrastructure and new tourism products will be promoted, so will the diversification of the existing ones. Mountain and ski infrastructure will continue to develop further. Regular researches will be carried out for identifying and removing factors that hinder the development of tourism and service quality.

Special attention will be paid to the development of tourism at a regional level; to the improvement of service quality; to the encouragement of small and medium-sized tourist business, as well as to the promotion of affordable family hotels.

Through the World Bank's support and active cooperation between the governmental, private and non-governmental sectors, tourism policy will progressively change in compliance with Georgia Tourism Strategy–2025 and an effective balance will be struck between the number of tourists and visitor spending. Particular attention will be devoted to the diversification of tourist markets. Efforts to increase the awareness about Georgia will be promoted. The private sector will be assisted in creating high quality and niche tourism. Domestic travel will be stimulated and training and certificate programmes will be conducted in order to improve the service quality.

The challenges that the country must address in creating world-class tourism offer and stimulating international demand include:

- Increasing convenient and affordable airlift from major outbound markets;
- Developing uniformly high quality visitor services throughout the country, particularly in rural areas, where some of the greatest tourism development potential lies;
- Improving road access and infrastructure in some of the country's most spectacular natural areas;
- Enhancing accesses, services, preservation and interpretation of cultural heritage sites and other forms of cultural expression;
- Expanding educational opportunities for Georgians to acquire the skills required for serving international and domestic markets with high quality standards;
- Improving and modernizing tourism-related superstructure (hotels, restaurants, museums, etc.), particularly in coastal and rural areas;
- Expanding data collection and analysis, market research, and marketing efforts;
- Building stronger public/private partnerships for tourism product development and marketing.

Successful implementation of Georgia's Tourism Strategy requires active involvement of the Government and adherence to the principles of sustainable development.

Electronic Communications, Information Technologies and Innovations

Upon the successful transition to digital terrestrial broadcasting, works have been launched to ensure integration into the newly-built state digital terrestrial broadcasting network due

for completion by August 2016. The network will ensure that a digital broadcasting signal is transmitted to populated areas located in the so-called shadow zones of signal coverage.

High technology and innovation development centre (Technology Park) will open for the first time in Georgia. The facility was completed in December, on an area spanning 18,000m² in Okrokana. The centre will include state-of-the-art laboratories, accelerators, incubators, etc.

In 2014 and 2015, about 53 IT trainers underwent professional training. With the support of the Innovation and Technology Agency of Georgia, they will train over 2000 junior IT specialists by the end of 2016. There are plans to train about 40 000 IT specialists by 2020. The Agency will also arrange for the employment of those who underwent training.

First biotechnology centre is due to open in Georgia in 2016, which will bring together successful Georgian scientists and help them engage in the commercialization process.

Work is currently underway to set up industrial innovations laboratories (FabLab) and innovations laboratories (ILab) all over the country. 5 FabLabs, 3 Ilabs and 2 innovation centres are currently operational.

Fibre optic cables will be laid in up to 2000 populated areas to ensure the development of high-speed Internet infrastructure in Georgia. OpenNet, a non-commercial legal entity was set up at the Innovation and Technology Agency of Georgia, providing operator-neutral, open access networks.

Development of communication and information technologies is one of the key priorities since it can create high-pay job places within the shortest possible time and contribute to the development of other fields of economy.

The Government's priority is to ensure that Georgia in the short- and long-term future assumes a leading position in the region in terms of export of information and communication technologies (ICT) and innovations. This will contribute to building knowledge- and innovation-based economy; turning intellectual products, innovations and technologies into goods for export; introducing information and communication technologies and innovations in all areas of science and economy and enhancing their competitiveness through the aforesaid instruments; carrying out the integrated state policy, related strategy and targeted programmes for the establishment of innovative ecosystem in the country.

The number of IT specialists as well as the amount of earnings from this sector will considerably increase. Computerization process in the regions and raising awareness of computer technologies will continue. For increasing public sector competitiveness, particular importance will be attached to the promotion of applied research by improving the effectiveness of state funding in this field.

Foreign Trade Policy

The Government will further continue fundamental reforms and measures to ensure the effective implementation of the commitments under the Deep and Comprehensive Free Trade Area (DCFTA). Legislative and institutional reforms will be carried out in line with a long-term plan comprising such areas as competition, protection of intellectual property rights, customs sector, food safety, quality infrastructure, environmental protection, management of natural resources, labour rights, trade in services and public procurement. DCFTA has already made a positive impact on the growth of Georgian exports to the EU, which rose by 6% during the 11 months of the current year.

The Government of Georgia began negotiations on Free trade Agreement with the European Free Trade Association (EFTA). Upon signature of this agreement, a market with high purchasing power will open up for Georgian products and services, which unites 4 countries (Switzerland, Norway, Island and Lichtenstein) and more than 13 million customers. Two rounds of negotiations have already been conducted.

Joint Feasibility Study of Georgia-China Free Trade Agreement was completed in 2015. According to the study, Georgian exports to China will increase, including exports of wine which is expected to rise considerably. An agreement was reached to launch Free Trade Agreement negotiations with China at the beginning of 2016. Free trade with China will give an additional stimulus to new businesses and will contribute to the expansion of the existing ones.

Of great importance is cooperation with the United States of America under the U.S.-Georgia Charter on Strategic Partnership; Georgia pursues active cooperation with the U.S. within the frames of the high-level dialogue on the issues relating to trade and investments, including on the opportunity to introduce free trade regime.

Tax Policy

The Government's tax policy aims at providing attractive and stable tax environment for the private sector and foreign investments, as well as for launching and development of business.

A series of legislative initiatives are now in the drafting stages. Within the framework of the Deep and Comprehensive Free Trade Area Agreement between Georgia and the European Union, the Georgian customs laws will be brought into line with the EU Acquis. Effective customs control procedures will be introduced to facilitate trade.

The Georgian tax laws regulating indirect taxes (VAT, excise duties) will be harmonized with the EU Acquis.

The Government considers each taxpayer as a partner in building the country as well as in providing the population with improved civil service. Efforts will, therefore, continue to ensure that physical and legal entities fulfil their tax liabilities. A dialogue will continue with representatives of the business community in order that their problems of reasonable and practical character are reflected in respective laws. A database (including various normative acts and decisions resolving tax disputes and lawsuits) will be created within the revenue service which will make it possible to adopt a uniform approach to all taxpayers and take decisions on the basis thereof. Work will continue to simplify tax administration system and to optimize tax sanctions. With due regard for business interests, tax control procedures and norms regulating tax collection measures will be streamlined. The existing tax dispute review system will be updated. Respective tax mechanisms for promoting domestic production and encouraging export of goods/services will be further developed and introduced.

Monetary Policy

The Government of Georgia will support the National Bank in effectively pursuing its monetary policy, in particular. Main priorities of monetary, credit and exchange rate policies are determined in accordance with respective parliamentary resolution.

Against the background of the ongoing processes in the region and the fluctuating exchange rate of Georgian Lari, of particular importance is the coordinated implementation of the

monetary and fiscal policy and cooperation with the international financial institutions in order to work out an adequate policy. Despite these challenges, the Government is determined to maintain a floating exchange rate as the most relevant option for Georgia.

Healthy competition among commercial banks will be supported; deposit insurance system will be introduced, which will become a reliable mechanism for increasing savings and deposits.

Fiscal Policy

The Government continues to improve the public financial management to ensure that priority areas and social expenses are funded through the budget, on the one hand, and on the other, the country's economy is stimulated and its fiscal stability is maintained.

Budgeting measures carried out within the framework of public financial management will ensure the effective management and transparency of public funds, mobilization of resources necessary for the development of various sectors amid the efforts to maintain fiscal stability and to conduct fiscal policy aimed at achieving the growth of economy in parallel to performing social obligations.

Work will continue to adopt unified planning standards, which will apply to national documents as well as to medium-term fiscal and other sectoral strategic documents. Medium-term plans will be used as an effective instrument for achieving fiscal stability. To stimulate economy, budget deficit will be kept narrow in the medium term, in parallel to increased government spending. Against the background of the ongoing developments in the region, it will be highly important in the medium-term and long-term perspective to maintain such macroeconomic and fiscal indicators that could lead the rating companies to give better evaluations and make the country's investment climate more attractive.

Work will continue in the area of macroeconomic analysis and forecasting. To streamline the budget planning process, efforts will be made to improve medium-term tax revenue forecasts for the national and consolidated budgets. Scope of the forecast will be expanded to comprise a wider range of economic sectors. Time limits of the forecast will also increase allowing a long-term planning of the fiscal sector.

The fiscal policy will be conducted in a reasonable manner, in order to ensure the government debt sustainability. Important steps have already been taken to improve the government debt management policy and ensure transparency. A debt management policy document will be elaborated. Despite the fact that the unstable exchange rate of Lari had a negative impact on government debt-to-GDP-ratio, the latter remains low –according to internationally recognized standards, and is even much lower than the benchmark level provided by the law. This upgrades Georgia’s sovereign rating outlook to positive and assists the country in attracting credit resources. The Government will continue to pursue a selective approach to investment/infrastructure projects, which are financed within maximally preferential credits, in order to ensure the sustainability of the government debt portfolio. The Government will also continue to issue securities and to use domestic credit resource that will contribute to the development of the securities market.

Methods for drafting programme budget have been revised. Work will continue to ensure full-scale introduction of result-oriented budgeting. Mechanisms for carrying out budget-funded programmes and sub-programmes and for presenting their expected results will be brought into line with international standards.

Efforts will continue to increase transparency and the level of informativeness and to ensure that Georgian citizens are provided with useful and necessary information in a simple manner.

In parallel to ensuring the functional improvement of e-budget and incorporating into it the budgets of legal entities of public law, as well as the budgets of the autonomous republics and local self-government bodies, efforts will continue to improve the electronic system of public financial management that will contribute to the consolidation of public finances and will, accordingly, help upgrade the instruments of public financial management. The process of directing funds of legal entities of public law into the Exchequer account will be finalized, as it is provided by the budget law. Mobilizing all public financial resources into the integrated Exchequer account will ensure the timely preparation of comprehensive reports on the execution of all types of budgets, including the budgets of legal entities of public law. A higher degree of transparency of financial reporting will be provided.

International Public Sector Accounting Standard on accrual basis will be gradually introduced. Upon achieving full compliance with these standards, the Government's financial statements based on accrual method will be published annually.

An integrated approach and instruction will be developed for introducing a financial management and control system, which will result in upgrading the level of managerial accountability, as well as of managerial and financial control mechanisms and in developing elements of financial management. Professional development of internal auditors and the effectiveness of their activities will be ensured. Internal and external control and audit mechanisms in the public financial management area will be improved. An effective mechanism for putting into practice the findings and recommendations of the State Audit Office will be introduced for improving the budgeting process.

Spatial Planning and Construction

A draft code of spatial planning and construction of Georgia has been elaborated to address the issues relating to spatial planning and construction in Georgia. Upon the adoption of the Code by the Parliament, sub-legislative normative acts will be developed to ensure the effective implementation of the Code. A plan for the introduction of European and international building regulations has also been drafted. The plan will continue to be implemented further. A master plan for the spatial planning of Georgia is currently drafted through the technical assistance of international companies.

Transport and Logistics

With due regard for Georgia's favourable geographic location, the Government of Georgia aims to create an integrated transport system in order to use to the maximum its transit potential and to increase the role of the country in international carriages and trade operations. To increase the competitiveness of the transit corridor, the Government will contribute to its integration with international transport systems and will deepen regional cooperation. In close cooperation with the Asian Development Bank, a transport policy document will be elaborated.

The Government will continue its work towards improving the existing transport systems by promoting the development of respective transport infrastructure, multimodal and intermodal carriages and logistics centres. In civil aviation area, the Government will promote the Open Skies Policy. The Government will ensure the implementation of the Common Aviation Area Agreement between the European Union and its Member States and

Georgia that will ensure flight security, aviation security, environmental protection, protection of consumers' rights and the development of other areas on a par with European standards and the integration of Georgian aviation area into the common aviation area.

In accordance with the Association Agreement, the Government will ensure that the Georgian laws are brought into conformity with the EU transport regulations and guidelines that will further improve the security level of transport operations.

Georgia continues to actively engage in various regional programmes, projects and initiatives (TRACECA, Viking, Lapis Lazuli). Special attention is paid to the Baku-Tbilisi-Karsi railway project, which considerably reduces carriage time between Asia and Europe and is a prerequisite for attracting additional volumes of cargo. Major construction works of the priority facilities along the Georgian section of the railway line are now completed. The arrival of the first Chinese transit train in Georgia in 2015 marked the official opening of the Silk Railway.

Particular importance is attached to the construction of a new deep-water port in Anaklia. The Government will continue work for the implementation of the project.

Development of Infrastructure

The development of public infrastructure is one of the main prerequisites for promoting regional development and poverty reduction. One of the principal tasks before the Government is to effectively contribute to the improvement of infrastructure.

With due regard for the geopolitical realities, the Government will ensure maximum integration of Georgia into international projects; Construction of new main roads, reconstruction of the existing ones, renewal and upgrading of road infrastructure will continue based on such factors as geographic location and road traffic load.

Other priority areas of infrastructural development are as follows: stocking and sorting out waste materials throughout the country in compliance with European standards; providing population in the regions with 24-hour supply of drinking water; building and repairing water supply and sewerage systems in the towns and villages throughout Georgia, and bringing these system into line with European standards. Projects scheduled for 2016 include: the construction of the drinking water supply systems in Zugdidi; the construction and rehabilitation of the sewerage systems in Poti; the first phase of the construction and

rehabilitation of the water supply systems in Kutaisi; the construction and rehabilitation of the water supply systems in Poti;

Preventive measures (building anti-landslide, anti-avalanche and flood-hit constructions) will continue to be carried out to protect the population from the consequences of natural disasters – landslides, floods, etc.

With a view to ensuring the optimum coordination of projects and introducing respective approaches based on international standards, we will make a more effective use of our experience and long-term relationship with donors.

Development of Energy Sector

One of the main directions of the energy policy is to increase the country's energy security and degree of its independence, to achieve phased reduction of dependence on imported energy supplies through the development of local energy resources and diversification of supply sources and routes.

Availability of energy resources is a necessary prerequisite for improving living conditions amid the growing and competitive economy. To attain this goal, the Government will continue to engage in such priority areas as the rational use of local energy resources that, in the medium- and long-term future, will substitute energy imports and will increase export potential, ensuring, at the same time, the readiness of the energy sector in case of development of energy-intensive sectors of economy.

The investment policy in the energy sector will be built upon the creation of additional power generation facilities and the implementation of necessary large-scale infrastructure projects. Besides, the investment policy must provide for the possibility of carrying out a stable tariff policy, especially in the electric power sector. The Government will provide a favourable environment for attracting private investments to the energy sector. The Government will make more effective the measures contributing to investments, as well as the introduction of simplified and transparent procedures.

The optimum use of renewable energy sources will remain one of the Government's priorities, with due regard for technical, economic, environmental and social requirements and based on the international best practices.

In parallel to the aforesaid priorities, energy saving and energy efficiency policies will be implemented through carrying out effective measures and introducing respective technologies.

Implementation of local and regional infrastructure projects will also be one of the main directions of the energy policy. Construction-reconstruction of main gas lines and high-voltage transmission lines will ensure smooth and stable power supply.

To provide local customers with better service, an individual metering programme throughout the country will go through to the finish, whereas gasification of the regions will be based on the feasibility studies.

Bringing the domestic legislation into line with the EU energy laws is also of paramount importance as part of the Euro-Atlantic integration process. By carrying out respective reforms and amending the applicable regulations, trans-border trade, market liberalization and attraction of foreign investments will be promoted that will contribute to the development of regional trade and will enhance transit and export potential.

Environmental Protection and Rational Management of Natural Resources

The Georgian Government's one of the top priorities is to ensure environmental protection and rational use of natural resources. The Government aims to introduce the principles of green economy and promote the development of green business.

To improve the environmental management quality in the country, European environmental policy standards and principles will be gradually introduced in Georgia, in compliance with the requirements of the Association Agreement. Georgia will continue to fulfil the commitments undertaken under the bilateral and multilateral environmental agreements.

The environmental legal framework will be revised and upgraded in such areas as: waste management, water resource management, atmospheric air protection, forest management, reduction of natural and anthropogenic hazards, nuclear and radiation safety, protection of biodiversity, sustainable management of natural resources, issuance of permits and licenses, environmental impact assessment and strategic environmental assessment.

The environmental monitoring system will be gradually expanded and modernized.

Forest sector reform will be conducted and its aim will be to introduce a sustainable forest management system and to improve its qualitative and quantitative indicators. The institutions responsible for forest management will be strengthened.

Integrated Water Resource Management System will be gradually put in place based on the European principles of basin management.

Liquid fuel quality standards will be progressively made stricter in line with EU standards. The pollutant emission rate recording system will be upgraded. Air quality standards will be brought into line with European standards.

The existing environmental assessment system will be improved, new regulations conforming to European standards will be developed and respective institutional management mechanisms will be strengthened. Strategic environmental assessment system at sector level will also be introduced.

To ensure management and rational use of natural resources, the license system of natural resource use will be upgraded.

Based on the commitments and obligations under the UN Convention to Combat Desertification, mechanisms for the sustainable use of land resources will be developed to reduce soil erosion, prevent desertification and preserve soil fertility.

Measures necessary for the protection of biodiversity will be taken in accordance with the National Biodiversity Strategy and Action Plan for 2014-2020. National Biosafety Framework will be developed in the country.

The network of protected areas will be expanded and their management will be improved. Measures aimed at promoting conservation activities in the protected areas, as well as at encouraging ecotourism will be intensified.

A modern waste management system will be created and put into operation. Waste management strategy and waste management action plan will be approved, in order to apply European methods of waste management and facilitate the development of relevant infrastructure.

Georgia will embrace the EU's approaches to the prevention and control of industrial accidents; natural disaster risk assessment mechanisms will be upgraded; forecasting and early warning systems for natural disasters will be established/upgraded.

National Adaptation Plan for Economic Sectors and Ecosystems and National Low-Emission Development Strategy will be prepared in accordance with the UN Framework Convention on Climate Change. Climate change mitigation and adaptation measures will be undertaken.

The national environmental control system will be improved ensuring compliance with the laws regulating such spheres as environmental protection and use of natural resources; prevention, detection and elimination of environmental pollution and illegal use of natural resources.

Nuclear non-proliferation regime will be strengthened; nuclear and radiological threats and risks will be reduced; population will be protected from adverse effects of ionizing radiation; legal framework for radioactive waste management and related strategy will be developed; such sectors as nuclear and radiological safety will gain institutional strength.

The Government will move towards sustainable development and introduction of green economy principles.

Mechanisms ensuring access to environmental information and public participation in decision-making will be elaborated and improved. Measures will be taken to promote environmental education and awareness raising.

Local Self-Government Reform

Strong local self-government is one of the main instruments for supporting democracy, civil society and regional socio-economic development. Its goal is to address issues of local importance independently, under its own responsibility and with due regard for the interests of local population.

The reformed system will continue to incorporate further improvements to ensure institutional, financial-economic and management efficiency, including fiscal decentralization and material support of municipalities.

An effective system for continuous training of local self-government staff will be created. An increasing number of municipalities will open up service centres designed to provide public service to citizens. The local self-government territorial reorganization process will take into consideration such factors as local human and material resources, compatibility of villages to form a municipality and other socio-economic factors.

Urban development of cities will be ensured; new centres of attraction will be set up within the municipalities; every community (village, town, city) coming within the municipality will use an effective mechanism for taking part in the solution of issues relating to the community concerned.

Regional Development

Regional development is one of the Georgian Government's recognized priorities, which will play a crucial role in achieving sustainable economic growth and nation-wide success. By carrying out a comprehensive and effective regional development policy, the Government aims to help citizens achieve their goals by employing the traditional method of equalizing the standard of life, as well as by promoting efficient economic processes on the ground and increasing the competitiveness of the regions. The Government considers the progressive introduction of planning instruments and processes under the EU cohesion policy (or regional policy), on the one hand, and the identification and optimum use of comparative advantages of certain regions, their specific structures, opportunities for long-term development of various sectors and potential to transform the existing resources, on the other, as a precondition for implementing the effective regional development policy. The Government of Georgia will continue to work intensely towards ensuring the full, consistent and inclusive implementation of Georgia's Regional Development Programme for 2015-2017, as well as of the existing strategies for the development of different regions.

The Government will elaborate a framework law setting forth respective institutional mechanisms for implementing the integrated state policy of sustainable regional development, rules for drafting documents on cluster regions and development planning, as well as on the planning, financial support and implementation of the entire process of regional development.

At the same time, for ensuring progress in the socio-economic development of the highland regions, systemic efforts will continue for the effective implementation of the Law of Georgia on the Development of Highland Regions. On the basis of this Law, the Government will work out a strategy and an action plan, as well as programmes for the development of highland communities.

Effective mechanisms for reflecting the interests of municipalities and ensuring their participation in regional projects will be strengthened. Efforts will be made to promote the regional management of issues relating to socio-economic and infrastructural development, as well as the creation and effective operation of respective institutional mechanisms for planning and implementation.

One of the priorities of the regional development policy will be the development of small- and medium-sized urban communities: towns and cities, and the upgrading of public services

there, that will contribute to improved living conditions and employment opportunities on the ground.

Education and Science

One of the Government's top priorities is to develop and improve the system of education and science in Georgia. The Government of Georgia, therefore, adheres to the universally recognized principle of academic freedom and guarantees high-level administrative and financial management autonomy.

The long-term strategy for sustainable development of education envisages the following interventions: developing the lifelong learning system; ensuring equality, accessibility and inclusion within the educational system; improving quality of education and science and upgrading result-oriented quality management and support systems; ensuring autonomy and institutional development of educational institutions; developing human resources at all levels within the systems of education and science; enhancing community involvement and social partnership; improving the education and science management system and upgrading the funding mechanisms thereof; introducing an alternative to performance-based funding for education, in parallel to vouchers for funding.

As part of efforts to ensure access to education, all projects launched in 2013 will continue. These projects include: providing pupils with free textbooks and transport; carrying out a safe school environment concept; introducing the service of psychologists, special needs teachers and doctors; assistance in career planning; developing inclusive education programmes and resources; offering state-funded university programmes in parallel to updating a list of respective specialties, based on labour market needs; state funding for vocational training; funding for PhD students and other social and training programmes.

In compliance with the Strategy, the education system will incorporate changes at different levels. Teachers' Professional Development and Career Advancement Scheme became operational as of the academic year 2015-2016, which envisages training of qualified personnel under updated university programmes. University-led one-year teacher training programmes will be launched in the autumn of 2016, whereas teacher training integrated programmes will be undertaken as of the academic year 2016-2017. Professional development of teachers will be promoted; an effective evaluation system will be introduced; teachers' pay policy will be optimized.

All teachers of exact and natural sciences will be trained Georgia-wide, within the framework of the Second Millennium Challenge Corporation Compact. The standard of natural science laboratories will be approved under the Compact and schools will be equipped with modern laboratories. Full rehabilitation of up to 50 public schools is due for completion by the end of the year 2016.

A competition will be held in 2016 in accordance with new approval regulations, in order to develop and select new textbooks according to the revised curriculum (for first and second levels).

Preschool education component was introduced in preschools as of the academic year 2015-2016. The Ministry of Education and Science of Georgia, the Georgian Parliament's Human Rights Committee and the United Nations Children's Fund jointly elaborated a draft law on preschool education, which will be submitted for consideration to the Parliament in 2016. Once the law is adopted, the Ministry of Education and Science will elaborate early childhood education and pre-school education schemes and will carry out monitoring over the preschool education component introduction process.

Policy and strategy documents dealing with the ways to improve the quality of education for ethnic minorities have been finalized. A new effective model of education for ethnic minorities is now in the drafting stages and will be introduced soon. Learning of Georgian language among ethnic minorities at preschool level, as well as during vocational training will be promoted. The state language learning programme will be accessible to any Georgian citizen as well as to any foreign citizen living in Georgia both at the country and regional level. A list of specialties will be expanded for representatives of ethnic minorities on the 1+4 scheme. Infrastructure of schools will continue to be rehabilitated and new schools will be built.

Occupational standards that were developed through the participation of the private sector and the use of European methods were approved, in compliance with the legislative amendments introduced. The existing vocational training programmes will be revised based on the results of the systemic labour market research. Credit transfer and accumulation system will be introduced in vocational institutions as stipulated by the Association Agreement. The incorporation of the general education component into the vocational training programmes will open up opportunities for vocational school students to receive higher education. Geographic access to vocational education will be expanded.

In the context of Georgia's accession to the Bologna process, the Government makes active efforts to achieve the integration of the country into the European higher education area. National Qualifications Framework, evaluation mechanisms and standards in higher education are currently under revision. The revision process is due for completion in 2016.

The Government promotes the development of various fields of science in order to realize to the maximum extent the country's scientific potential and to promote its commercialization. In parallel to financially supporting the development of science, including by granting scientists a pay increase, a result-oriented evaluation system will be developed, on the basis of which further stages for the development of science will be defined. Legislative amendments were approved to assist scientists and research organizations in carrying out their activities.

Effective steps will be taken towards rapprochement with educational systems of the EU countries. Georgia will find new ways for developing natural, engineering and exact sciences, as well as for engaging in international research programmes. An agreement will be signed in 2016 to ensure Georgia's full-scale engagement in Horizon 2020 – the biggest EU research programme ever.

Sport and Youth

The Government of Georgia continues to place high value on the introduction and promotion of healthy lifestyle among young people. For a small country like Georgia, sport is one of the effective ways to popularize the country, raise awareness about it and develop its tourism. Georgian sportsmen will take part in the Olympic World Games in the coming year. Our goal will be to earn the maximum amount of Olympic licenses and successfully represent the country.

The Government approved State Policy Document for Sports Development 2014-2020. Strategic Plan for Sports Development is in the drafting stages and its main focus is to ensure access to sports. Penitentiary institutions will give inmates access to various sports activities and informal education that will further promote their adaptation and integration into society.

One of the main priorities is to further develop mass sport, introduce a healthy way of life, promote sport and engage as many people as possible in sports and physical activities. A

whole package of legislative amendments is now developed to ensure the popularization of sports activities and establish a healthy lifestyle in the country.

The Schools Olympic Program launched in 2015 will further expand in 2016.

The target state programme for the development of sports infrastructure will be launched; The Government will move forward with its efforts to gradually build and rehabilitate the sports infrastructure throughout the country, to open sports and recreation centres in the regions and to provide them with modern equipment. The Government will continue to finance long-term target state programmes. Georgia is due to host a number of international sports forums in the future.

An innovative model for granting recognition and funding to the sports federations has been developed on the basis of European experience, which will make more effective the cooperation with the sports federations.

Special attention will be paid to the further development of sports education, including sports medicine and sports law. The Government also prioritizes the opportunity to receive professional sports education.

The Government continues to create the environment conducive to initiating projects by young people and youth organizations, and to support and finance such projects. By means of special programmes young people will be assisted in developing project management skills and capacities; the implementation of innovative projects and initiatives will also be supported.

Engagement of young people in the decision-making process at the level of central and local authorities will be regulated by law; forms of their activities will be determined; action plan for validation of informal learning will be developed; informal learning standards will be adopted; volunteering will be encouraged.

Programme for the support of non-governmental youth organizations will be improved to promote state-oriented thinking, as well as European, democratic and civic values.

Special adapted programs will be carried out in order to encourage and integrate young people with special needs living in the regions. Relevant arts, culture, scientific and sports activities and events will be carried out in order to help young people fulfil themselves and realize their talents. To bring young people closer to the Euro-Atlantic space, relevant youth programs will be implemented in cooperation with international organizations and partner states.

Culture

The Government's culture policy is oriented towards maintaining the country's national and cultural identity. Efforts will continue towards deepening international cooperation and integrating Georgian culture into the global cultural space through the support of international instruments. To achieve this goal, Georgia became a member state of the EU program "Creative Europe". According to the Association Agreement with the EU, cooperation with the European Union is ongoing in order to develop and put in place an inclusive culture policy. A long-term strategy for culture policy and a related action plan for its implementation are now in the drafting stage, involving the participation of broad public.

Substantial measures are taken to improve the legal framework of the cultural sector and to bring it into line with the European laws. Work is currently underway to develop Cultural Heritage Code, which is due for completion in 2016. The Code will incorporate all regulations in the cultural heritage sector and will upgrade cultural heritage regulatory mechanisms. For the further development of arts education, a package of amendments will be developed and incorporated into laws on general, higher and vocational education.

The cultural heritage preservation process will proceed based on the international conventions, universally recognized standards, and recommendations of the UNESCO and other international organizations. Dedicated efforts are underway to prevent the removal of Georgian monuments from the List of World Heritage and ensure their re-inclusion on the Main List of World Heritage.

The Georgian cultural heritage database management system and the cultural heritage geographic information system (GIS) are now developed. An integrated cultural heritage databank currently operates in a test mode containing information on both tangible and intangible cultural heritage. An integrated electronic system for recording museum holdings

will be launched in 2016 enabling systematization of all cultural heritage items preserved at museums, which will be accessible to all persons concerned.

The conservation and restoration of cultural heritage monuments launched in 2014 and 2015 will further continue; so will the rehabilitation of series of nationally important monuments.

The Government will proceed with negotiations and international cooperation to ensure the protection of Georgian monuments of cultural heritage beyond the borders of Georgia, including those in the Republic of Turkey.

To contribute to the development and popularization of Georgian culture, the Government will continue to arrange for the conduction of international film, theatre and music festivals, including the financial support of the participation of Georgian artists in international forums. Special attention is paid to the preparations for Georgia's Guest of Honour appearance at the Frankfurt Book Fair 2018. Up to 200 Georgian literary works will be translated and published during the period from 2016 to 2018; special media and literary tours will be organized throughout Georgia and German-speaking cities of Europe.

Cultural life in the regions will continue to be promoted, in particular, by providing regional theatres and cinemas with necessary equipment; rehabilitating cultural and recreational parks; promoting classic music; providing art school teachers and students with methodological assistance; providing technical support to folklore ensembles; promoting and popularizing theatre troupes and companies. To promote the sustainable development in Georgia's regions, an analytical database of cultural resources will be created countrywide; the material and technical facilities of traditional craftsmanship studios will be further developed; the functioning of art communities in the areas with high refugee density will be supported.

Health Protection

The further development of the health policy and programmes, including the Universal Healthcare Programme, aims at increasing life expectancy and improving health status of the population. The Georgian population is better protected from excess health-related costs and risks of impoverishment. Efforts are still underway to ensure quality healthcare and provide quality medications and a better access to them.

In accordance with the Association Agenda, special attention will be focused on the public health policy, as well as on the elaboration/improvement of programmes in such priority areas as infectious disease control, drug abuse, mental health, blood and organ donation, tobacco control and regulations for the improvement of healthcare service quality.

The effectiveness of budget spending will increase through improving the administration of public health programmes and making greater efforts at the level of basic healthcare. The possibility of introducing a universally recognized integrated healthcare financing system will make more effective the use of budgetary funds allocated to the medical services. Efforts are underway to improve government-financed health care programmes (20 healthcare programmes targeting specific diseases, including early detection of diseases, diabetes and rare diseases), based on research findings and international best practices.

Special attention will be focused on developing/introducing healthcare quality management systems, within the framework of both universal health insurance and private health insurance schemes; quality management mechanisms (systematic monitoring of quality indicators, internal audit, accreditation and reporting) will be developed and introduced stage by stage within in-patient, out-patient and laboratory services; fundamental reforms will be carried out in the medical education and certification areas at pre-diploma, post-diploma and continuous medical training stages.

Based on the analysis of healthcare infrastructure, various levels of medical services and specific needs of the population (including the population of highland regions and the population living in the adjacent areas to the conflict zones), the Government will promote the further development of healthcare infrastructure by implementing public and private investments. Regionalization, referral and quality management improvement systems will, at the initial stage, be introduced in maternal and child health services and will further extend to in-patient, out-patient and emergency medical services.

As a result of reforms launched following the assessment of emergency medical services, the task of providing emergency healthcare throughout the entire territory of Georgia will be undertaken by the State. Ambulance staff training program is currently underway to improve the emergency medical services; fleet replacement and dispatch service improvement programmes are planned to be carried out.

On 21 April 2015, representatives of the Georgian Government and Gilead Science, Inc signed a memorandum of mutual understanding laying the groundwork for the world's

unique project on the elimination of Hepatitis C in Georgia. The project will reduce Hepatitis C incidence and mortality rates and will prevent new hepatitis cases.

Pension and Social Policy

Social risks caused by poverty of the population will be reduced. Basic principles for the formation of accumulative pension system will be determined. Retirees under this system will receive a refund of their accumulated payroll contributions.

Fundamental reforms are ongoing within the pension system envisaging the introduction of the component of private pension funds accumulation. The new system will be based on voluntary pension contributions. The State will assume a regulatory function in order to maintain system stability and achieve a desired effect.

As far as the social policy is concerned, the purposefulness of the social assistance program will increase. Methods for assessing the social-economic status of the family have been changed through minimizing the bias involved in subjective evaluation, revising criteria, enhancing the social information management system and improving the administration scheme. New methods better reflect the needs of children and their families. A differentiated social assistance system will be introduced ensuring that more assistance reaches out to those families that are most in need of support.

Measures for improving physical and social conditions of the persons (including children) with disabilities and for ensuring their integration into society will continue to be carried out under The Government Action Plan 2014-2016 on Ensuring Equal Opportunities for Persons with Disabilities.

Progressive realization of the principles and obligations under the UN Convention on the Rights of Persons with Disabilities will continue. Medical model approach to persons with disabilities will gradually be replaced by social model approach; development of social service will be based on providing access to quality service suited to the individual needs of beneficiaries.

Child care system reform will continue in the areas of de-institutionalization, strengthening of families and promoting the upbringing of children in family environment.

Efforts will continue to provide access to medications and ensure the high quality of healthcare. Emergency medical service reforms and new infrastructure projects are planned to be carried out.

Support and Protection of Rights of IDPs and Refugees

The Government bears responsibility for the life, health, safety, social integration, living conditions, employment, property protection and return to the place of origin of each displaced and war-affected citizen.

Taking into account specific needs of IDPs, the Government will guarantee the protection of their rights during the period of their displacement and will employ all legal mechanisms to achieve long-term solution of the problems of IDPs, to provide them with residence in various regions of the country, as well as with sources of income, healthcare, and social integration, and to create socioeconomic conditions allowing refugees to live in dignity and peace.

In order to help IDPs get integrated in other parts of the country before their eventual return to the places of permanent residence, the Government will support the participation of IDPs in agricultural programmes and will provide those already taking part in agricultural activities with necessary infrastructure and resources; the Government will also encourage the creation or further development of agribusiness incubators and mixed agricultural cooperatives.

The Government recognizes the right of IDPs to the restitution of real property left at the places of their permanent residence. This right will continue to apply even if IDPs are provided with long-term residence. The Government will make special efforts to plan and implement the process of return, housing and reintegration of IDPs. Large-scale construction works are now ongoing in Zugdidi and Kutaisi where IDPs account for 60% of workers.

Confidence-building between the Georgian-Abkhazian and Georgian-Ossetian communities torn apart by the war, broader international involvement and realization of the strategy

aimed at conflict resolution through political negotiations will become a precondition for the return of refugees.

Conflict Resolution

Conflict resolution remains the most important component on the Government's domestic and foreign agenda. Against the background of the persisting challenges, special attention will be focused on efforts to mobilize the international community in response to Russia's occupation policy and its steps taken towards annexation, as well as on the creation, through the support of international organizations, of effective human rights protection and monitoring mechanisms in Abkhazia and South Ossetia/Tskhinvali region, in particular, in the most vulnerable districts of Gali and Akhagori.

In parallel to supporting the Geneva International Discussions as an important platform for a dialogue between Georgia and Russia through international mediation, the Government will also remain committed to open up a direct dialogue with Abkhazian and Ossetian communities. Despite the principled difference in positions with respect to the political settlement of the conflicts, the Georgian, Abkhazian and Ossetian communities must jointly assume responsibility for the security of the region as well as of the next generations. It is necessary to launch negotiations on security guarantees, the mechanism of which must be created within the format of international organizations/partners (e.g. European Union, OSCE or UN). It is also important to address humanitarian issues and to take steps towards restoration of confidence. The Government will continue to support public diplomacy, social and economic rehabilitation and business projects. Family and personal contacts between the communities living on different sides of the dividing line will continue to be encouraged.

Through the participation of partner countries and international organizations, the Government will considerably increase support for the projects of the non-governmental sector, which will contribute to conducting a dialogue between the parties at the level of political experts, as well as to the creation of groups of businessmen, journalists, women, farmers, ecologists, medical workers, students and other target groups.

In order to retain the conflict-affected families in the villages adjacent to the dividing line, the Government has taken upon itself the strategic task to achieve the socioeconomic development of those villages and regions. To fulfil this task, the Government Commission

for Response to the Needs of the Affected Population Living in the Villages on the Demarcation Line will continue its work, which is based on the already implemented projects in such areas as restoration of drinking and irrigation water systems, rehabilitation of schools and clinics, gasification, financing of higher education, targeted material assistance for the local population, etc. The Government will continue to engage with donors and partners in order to assist the regions adjacent to the dividing lines and to continue supporting the state development policy.

The Government will continue to develop new visions within the framework of the state strategy for peaceful settlement of the conflicts, which will be based on modern approaches to conducting a direct dialogue, confidence building and reconciliation, as well as on the principle of respect for Georgia's sovereignty and territorial integrity. Efforts will continue to create such legal and institutional mechanisms that would grant residents of Abkhazia and the Tskhinvali Region/South Ossetia the same benefits and services that are available to any other citizen of Georgia, including the benefits and opportunities granted to Georgian citizens under the EU-Georgia Association Agreement, as well as the opportunity of visa-free travel to the EU countries.

One of the important tasks before the Government is, therefore, to raise the Abkhazian and Ossetian communities' awareness of Georgia's European integration, including the concrete benefits and values of Georgia's European development path, which implies the protection of human rights, freedoms and identity, the opportunities offered by the Association Agreement, including the Deep and Comprehensive Free Trade Area Agreement (DCFTA), as well as visa-free travel prospects between Georgia and the EU countries. Building democratic institutions and speeding up resolution of the problems hindering the socioeconomic development of the country will be essential to achieving the successful settlement of the conflicts. The success of the Government's policy in this regard consists in convincing the population of Abkhazia and the Tskhinvali Region/South Ossetia of the advantages of living in a unified European country.

Work will continue towards identifying and implementing measures, which are necessary for the integration of representatives of ethnic minorities. The Government approved the new National Concept for Tolerance and Civil Integration and Action Plan for 2015-2020.

The aim of the new Concept is to further contribute to the full-scale integration of ethnic minorities to ensure that they actively engage in all spheres of life. One of the major goals is

to provide ethnic minority representatives with an access to quality education and with state language learning opportunities. The new Concept and the related action plan envisage the engagement with both minority and majority groups as the integration is a two-way process. There are also plans to promote the integration of not only large but also small ethnic groups. For this end, teaching the languages of these groups will be incorporated into the curriculums of the schools where there is a respective demand. The ultimate goal of the new concept is to realize the rights of ethnic minorities as stipulated by law.

Foreign Policy

The main objectives of Georgia's foreign policy are as follows: strengthening the country's security and sovereignty and restoring its territorial integrity including by continuing the non-recognition policy with respect to Georgia's occupied regions; promoting the country's European and Euro-Atlantic integration; deepening strategic cooperation with the United States of America; strengthening relations with the neighbouring and regional countries; continuing the de-escalation policy with respect to the Russian Federation and achieving the normalization of relations based on respect for Georgia's sovereignty, territorial integrity inviolability of its internationally recognized borders; enhancing the role of Georgia as a trade and transit centre in the region, strengthening international economic links for this end and securing foreign political support; expanding close, mutually beneficial partner cooperation with European countries; developing bilateral and multilateral relations in the context of global partnership; promoting Georgia's positive image internationally.

Georgia will continue establishing diplomatic relations with various countries. Georgia currently maintains diplomatic relations with 186 countries.

Strengthening the country's sovereignty and restoring its territorial integrity is one of the overriding objectives of Georgia's foreign policy. The efforts of the Foreign Ministry, in this light, will be directed towards increasing the international community's involvement in the peaceful resolution of the conflicts in Georgia, as well as towards the strengthening of the non-recognition policy with respect to Georgia's occupied regions; ensuring the security and the protection of human rights in Georgia's occupied regions, including via international monitoring, will be yet another important focus of the Georgian Government. In order to provide information to the international community and to enhance the level of its involvement, the Government will keep up the practice of preparing reports on the human rights situation in Georgia's occupied regions. Particular attention will be paid to confidence-building and to the deepening of contacts between the communities torn apart by the war and the occupation lines.

Georgia's phased integration with the European Union is one of the main objectives of the country's foreign policy. The Association Agreement represents a concrete mechanism to bring Georgia closer to the European Union, which, by consistently establishing European standards, will create new opportunities of development in all major areas. The formation of the Deep and Comprehensive Free Trade Area will open up the EU internal market for Georgian goods and services and will considerably contribute to the attraction of investments to the country. The Government's efforts during this period will be directed towards deepening relations with the European Union in the political, defence and security areas, as well as towards economic integration, including the further development of sector cooperation. Upon the successful implementation of the Visa Liberalisation Action Plan (VLAP) with the European Union, Georgia will continue to mobilize the support of the EU Member States to ensure that visa-free travel with the EU is introduced within the shortest possible time.

Georgia pursues its relations with its chief ally - the United States of America in four priority areas identified in the Charter on Strategic Partnership: defence and security; economy, trade, and energy; democratic governance and civil society; people-to-people contacts and cultural exchanges. Georgia directs serious efforts towards deepening the high-level dialogue with the U.S. on the issues relating to trade and investments, including on the opportunity to create the Free Trade Regime. Cooperation will continue with the legislative and executive branches of the government, as well as with media representatives and members of the expert community to keep the U.S. society up-to-date with the developments in Georgia.

Georgia's foreign policy envisages developing close political and economic relations with the neighbouring and regional countries. Maximum efforts will be made to further deepen cooperation for the implementation of the ongoing economic and energy projects in the region that will make the region economically more attractive and will enhance its security.

The Government's overriding priority is to normalize relations between Georgia and Russia based on respect for Georgia's sovereignty, territorial integrity and inviolability of its internationally recognized borders, which must be preceded by the de-occupation of the Georgian territory and the reversal of the recognition of the independence of the occupied regions. With a view to resolving the conflict between Georgia and Russia, the Government will continue its constructive participation in the Geneva International Discussions, which was created to ensure the implementation of the 12 August 2008 ceasefire agreement. In parallel with this, an informal dialogue on trade, economic and humanitarian issues will

continue between the special representatives, in the context of pragmatic and balanced policy.

Georgia will continue to further develop cooperation with the European countries that is of particular importance in terms of realizing the main priorities of Georgia's foreign policy – achieving European and Euro-Atlantic integration, the irreversibility of Georgia's democratic development, de-occupation of the territory and the territorial integrity of the country.

In the light of development of global partnership, a great deal of attention will also be paid to the deepening of mutually beneficial bilateral and multilateral relations with the North and Latin American, Caribbean, Middle East, Arab, African, Asian and Pacific Rim countries.

Yet another important direction of Georgia's foreign policy is to ensure active cooperation with international organisations and institutions operating within their framework, including towards increasing the role of international organisations in successfully delivering the democratic reforms ongoing in the country, as well as in the peaceful resolution of the conflict. From 2016 Georgia will become a member of the United Nations Human Rights Council for the first time. The Council membership gives Georgia an additional opportunity to further engage the international community in addressing human rights violations in Georgia's occupied regions. The Government will carry out measures to enhance the importance of Georgia in the international organisations, including by increasing the Georgian representation in the executive bodies of these organisations, initiating thematic dialogues and sharing Georgia's success; special attention will be paid to the coordination of the process of preparing and submitting Georgia's regular national reports to the international human rights organizations.

One of the key priorities will be the effective implementation of economic diplomacy. To this end, efforts will be made to promote Georgia's investment and business environment internationally; to encourage the inflow of foreign investments, new technologies and innovations; to achieve the internationalization of small- and medium-sized businesses and the increase of Georgian exports. Considerable attention will be paid to the lobbying of Georgia's business interests internationally and to the country's full-scale participation in the international economic processes. Work will also continue towards the integration with the global markets, as well as towards the further development of Preferential Trade Arrangements. A system of commercial representations will be developed in the target markets.

The Government's efforts will be aimed at ensuring the full use of the country's transport and transit potential and the increased level of conductivity, which will allow our country to take an active part in regional projects and initiatives. Work will continue towards the development of energy corridors via the territory of Georgia. The aim of the Government is to ensure that Georgia makes its own contribution towards the restoration of the historical Silk Road and the maximum use of its potential. The Tbilisi Silk Road Forum – an annual international conference was launched in 2015 at the initiative of the Georgian Prime Minister, which will contribute to the deepening of cooperation among various countries in the areas of transport, communications, infrastructure, trade, energy and industry. The Government of Georgia will continue to further promote the economic and political importance of the Forum and will ensure the international support for and involvement in it. Co-operation will further deepen within the framework of the Agreement “New Silk Road – Economic Belt” signed between Georgia and the People's Republic of China in 2015. Georgia will continue active cooperation with the European countries, strategic partners and all countries involved in this process, as well as with international and regional financial institutions.

Such unique resource as Georgian culture will be used to the maximum in the implementation of foreign political and economic interests. Cultural diplomacy and the efforts to raise awareness about Georgia as a country with rich history and diverse culture will play a special role in conducting foreign relations effectively.

Considerable efforts will be made to ensure the protection of rights of Georgian citizens abroad and to strengthen contacts with Georgian compatriots living abroad. A special service will be put into operation for providing customers with an effective, convenient and speedy service through the electronic consular management system. Work will continue to grant Georgian citizens visa-free travel to various countries.

Integration into the European and Euro-Atlantic Structures

European and Euro-Atlantic integration is one of the main objectives of Georgia's foreign policy. It represents a firm and unwavering choice of the Georgian people who consider it as a fixed point of reference for building a truly European liberal democracy, and ensuring its security, prosperity and economic development.

The Georgian Government actively continues to carry out the successfully launched Association Agreement and the Association Agenda in compliance with the Annual National Action Plan. It is the task of the Government to ensure that the Georgian population receives in due time the benefits of rapprochement with EU standards and values.

Substantial progress has been achieved in terms of visa liberalization. Comprehensive reforms under the respective Action Plan have been carried out. According to the European Commission's fourth progress report, Georgia met all the benchmarks set in respect of the Visa Liberalisation Action Plan (VLAP), which means that the technical part of the process of visa liberalisation has been successfully accomplished. Efforts will continue as part of the next phase to mobilize support of the EU Member States to ensure that Georgian nationals are granted visa-free travel in the near future.

The Government will continue active cooperation with the European Union and partner countries within the framework of Eastern Partnership and Mobility Partnership.

Based on the successful experience from the European Union's crisis management operations, the Government will continue intense cooperation with the EU within the framework of the Common Security and Defence Policy (CSDP). One of the priorities, in this context, is to conclude an agreement on the exchange of classified information with the European Union.

The Government will continue intense cooperation with the civil society on European integration issues.

Projects within the framework of EU assistance will continue in order to support the ongoing reforms in Georgia, including with the goal of harmonizing the Georgian laws with the EU acquis and bringing the national standards closer with the EU norms and standards. The European Union's financial assistance for 2014-2017 worth up to EUR 140 mln will go towards such priority areas as public sector reform, agriculture, rule of law, as well as expert assistance for carrying out commitments undertaken under the Association Agreement.

Georgia plans to take an active part in the EU-funded national, regional and thematic programmes aimed to institutionally reinforce the government agencies in Georgia, as well as to develop regional cooperation in such priority areas as energy, transport, environment, tourism, education, culture, others.

The Government will remain committed towards the implementation of the Substantial Package granted to Georgia at the NATO Wales Summit, whose main objective is to assist Georgia in its preparations for becoming a member of the Alliance. Promoting the functioning of the NATO-Georgia Joint Training and Evaluation Centre – the most large-scale project under the Package will be a priority. Within the frames of preparations for the Warsaw Summit, ensuring the effective implementation of other elements of the Package and demonstrating the progress achieved in this area will be, inter alia, yet another priority.

Georgia has come to that point when further steps towards integration with the NATO fully depend on the political decision of the member states. Preparations for the NATO Summit to be held in Warsaw next year will be of priority importance to Georgia in 2016. Accordingly, Georgia will continue to actively coordinate with the capitals of the NATO Member States to ensure that the progress achieved by the country on its path of integration is duly assessed during the Warsaw Summit. Georgia as an aspirant country will continue to ensure that such integration mechanisms as Annual National Programmes and the Agenda of the NATO-Georgia Commission are effectively implemented.

Georgia still makes its own contribution towards the strengthening of global peace and security. Georgia continues to participate in the NATO-led Resolute Support Mission in Afghanistan and will take part in the NATO Response Force (NRF) from 2016 to 2018 included.

Furthermore, Georgia will continue to use to the maximum all the existing mechanisms of cooperation, including its membership of the Enhanced Opportunity Partner's Group as a way to enhance the level of interoperability and to promote the process of integration.

Georgia's contribution to the EU-led peacekeeping operations is also important. In 2014 and 2015, Georgia successfully took part in the EU Missions (EUFOR/EUMAM RCA) in the Central African Republic. Georgia plans to contribute to the new Military Advisory Mission in the Central African Republic, as well as to the EUTM Mali – the European Union's multinational military training mission.

Georgia pursues active cooperation within the framework of the global coalition whose main goal is to ensure peace and stability in the Middle East.

Georgia will continue to fight against the challenges currently facing the international community, including against international terrorism and transnational organized crime, as well as to make its own contribution to energy security, arms control and non-proliferation. Steps will be taken to promote Georgia and its potential internationally, including by sharing the country's reform experience with the external world.

In 2015 the Government will activate its efforts to maintain and further strengthen the Georgian population's support for the country's European and Euro-Atlantic integration. The Communication and Information Strategy of the Government of Georgia in the sphere of EU Integration for the period of 2014-2017 and the Action Plan for 2015 will continue to be effectively carried out. The government agencies and other organizations responsible for strategic communication will consolidate their efforts in order to confront any wrong

message or myth regarding the European and Euro-Atlantic integration process and to bring to the attention of each citizen objective and comprehensive information on the benefits such integration may bring about. The Information Centre on EU and NATO is actively involved in carrying out the Action Plan to the Strategy.

Migration System Reform

Institutional and legislative reforms that have been carried out in the area of migration over the past few years have played an important role in the successful implementation of the Visa Liberalization Action Plan.

Based on the needs revealed through the assessment of the Migration Strategy for 2013-2015, the Government approved Migration Strategy for 2016-2020, which identifies current challenges of migration and determines the country's priority goals and objectives for the next 5 years. Georgia's migration profile 2015 was developed according to the new format and contains comprehensive information on migration.

Work is still underway to create an integrated analytical system, which will collect and process statistical information from various databases thus contributing to an in-depth analysis of migration processes based on predictable characteristics.

Diasporas

The Government will devote special attention to Georgian compatriots living abroad, to ensuring their engagement in Georgia's socio-political, socioeconomic and cultural relations, as well as to strengthening the ties between Georgia and those countries where Georgian compatriots live and work. New methods will be used to determine the status of Georgian compatriots living abroad, as well as the rights and privileges they will enjoy.

The Government will continue efforts aimed at improving the knowledge of the Georgian language and increasing Georgian culture awareness among Georgian compatriots, especially school children living abroad. The Government will also continue training teachers and preparing respective curriculums based on Georgia's education standards for schools with a Georgian ethno-cultural component of education. The Government will further support the Georgian language instruction programme approved for Georgian compatriots living in the Republic of Turkey. Efforts will continue to prepare the Georgian language instruction programme for Georgian compatriots living in the Hellenic Republic.

Work continues on the Georgian Online School – a Georgian language distance-learning project for Georgian compatriots living abroad.

The Government will keep on providing traditional support and assistance to Georgian-language schools, Sunday schools, ensembles, sports teams and other types of Diaspora organizations abroad.

The Government will continue its efforts for locating, maintaining and restoring the Georgian historical and cultural properties abroad, and if possible, for ensuring their return to Georgia. Work continues for transferring ownership over the Leuville Estate to Georgia.

The Government will promote the establishment and activities of Georgian Diaspora organizations abroad. The status of Diaspora organizations and their legal forms will be determined in a new manner, whereas their registration procedures will be explained in detail. In order to ensure registration of, and communication with Diaspora organizations, and to plan and implement activities relating to Diaspora, a register of Diaspora organizations will be further improved, which will bring together information regarding Georgian Diaspora organizations abroad, their leaders and goals, as well as their contact details.

Based on the requirements of the Association Agreement with the EU, the Government will consistently fulfil its obligations undertaken before the emigrants. The Government will continue to develop the Diaspora Strategy and related Action Plan for the intensification and systematization of relations between the Georgian State and the Georgian Diaspora, as well as for the resolution of the existing problems through joint efforts.

The Government will continue to cooperate with the international organizations in order to provide Georgian compatriots living abroad with respective information.

Civil Integration and Protection of National Minority Rights

Representatives of national minorities will continue to actively engage in the ongoing developments and decision-making processes in Georgia; all state programs related to national minorities will be carried out through the participation of representatives of such minorities.

The Government's top priority will be the implementation of the state language teaching programmes that is an essential prerequisite for facilitating civil integration. The Government will promote the state language teaching process and will provide representatives of national minorities with better access to quality education.

Regular media coverage of national minority problems, their achievements, culture and other important topics will be supported. The Government will improve access for national minorities to media and information, and will promote respect for their culture, languages,

traditions and values. Historical monuments and museums will be protected and developed with the goal of maintaining the identity of national minorities.

The Government will contribute to raising public awareness about the values, culture, history and religion of national minorities, as well as to establishing tolerance and cultural pluralism within society, and also to developing intercultural and interreligious dialogue and relations.

Based on the policy implementation assessment of the previous years, a new civic equality and integration strategy and an action plan for 2015-2020 will be developed, whose aim, on the one hand, will be to protect the rights and identity of national minorities on the basis of the lessons already learned, and on the other, to ensure their full-scale integration into Georgian society.

Judiciary

The concept of judicial reform has become the basis for creating a politically insulated judicial system; the judiciary is becoming steadily a more independent and impartial branch of government;

Organizational support for the judiciary is provided by the judiciary itself. Work will continue to ensure the institutional and financial independence of the judiciary.

All court decisions taken through the hearing of the case on the merits at an open session will be published on the respective court's website without divulging personal data.

Judges will be appointed to office through contest, in which persons whether having undergone or exempted from High School of Justice training courses will take part on equal terms. The law will specify criteria for the selection of qualified judicial candidates. Rules for obtaining reliable information regarding judicial candidates, for detecting cases involving conflicts of interests, as well as for appealing against refusal of appointment to judicial positions will be determined.

Judges will be appointed to permanent judicial positions after having successfully completed a three-year probation period. Judges appointed for 10-year terms will not be required to work through any probation period. They will be appointed for life-terms in compliance with general rules, after having won the contest. The assessment of judges' performance during the probation period will be based on objective and impartial criteria, in accordance with international practice and criteria.

A mechanism for automatic distribution of files will be introduced; degree of transparency of the High Council of Justice and High School of Justice activities will increase.

The legislative framework regulating the activities of the High School of Justice will be improved; the status of High School of Justice students will be specified and additional guarantees for the protection of their rights will be created; the level of their informativeness and access to their own personal data will be improved; assessment procedures of High School of Justice students will be upgraded.

Disciplinary procedures will be streamlined and the standard of proof will be applied with respect of disciplinary proceedings; the High Council of Justice will have the sole power to institute disciplinary proceedings against a judge; open and transparent procedures will be developed for promoting judges and assigning them to other courts. Assignment of a judge to other court without his/her consent will be allowed only where necessary, and if the interests of justice so require.

Cassation appeal admissibility criteria will widen. In particular, the Supreme Court of Justice will recognize the admissibility of an appeal against an appellate court decision if it contradicts the case law of the European Court of Human Rights. Moreover, cassation appeals will be admissible against all judgments in juvenile delinquency cases. The number of Supreme Court judges will increase in compliance with the law.

The Government works towards heightening the level of independence of judges. Additional guarantees for ensuring independence of judges and judicial non-interference will be provided.

Criminal Justice System Reform

Efforts are underway to improve crime detection rates and investigative activities; The Government has launched a policy aimed at ensuring that the punishment is fair and commensurate with the offence; imprisonment as a preventive measure, as well as sentence-serving regime is brought into closer conformity with international standards leading to a better protection of human rights.

The process of revising and improving the Criminal Code (both General Part and Special Part) is ongoing, aimed at ensuring its liberalization, modernization and harmonization with international standards.

In parallel to effective fight against crime, the policy for re-socialization of former inmates is underway and is due to continue further.

Drug control policy reform is ongoing, which aims at formulating a well-balanced and evidence-based anti-drug policy oriented towards the protection of human rights. Methods for collection and analysis of information related to the drugs situation in Georgia will be improved and evidence-based research and practice will be introduced within the framework of the Memorandum between the Ministry of Justice of Georgia and the European Monitoring Centre for Drugs and Drug Addiction (EMCDDA).

The Government is due to submit to the Parliament a draft law according to which a pre-trial probation service will be set up within the criminal justice system. This will considerably improve human rights standards when applying measures of restraint, in particular, types of new non-custodial measures will be developed and effective mechanisms for using and administering them will be put into operation.

A respective legislative framework will be developed on the basis of international practice, which will lead to the formation of an integrated community service system and the introduction of new mechanisms of management to ensure the effective use of this criminal justice sanction, which is a widely-used court-ordered service in the contemporary democratic world.

Reform of the Code of the Administrative Offences

A new edition of the Code of Administrative Offences is in the drafting stages. It will conform to international human rights standards and modern principles of justice.

Reform of the Prosecutor's Office

The Government actively works towards increasing public confidence in the Prosecutor's Office. The objective of the Prosecutor's Office has been modified and its main task now is to protect the public from crime, to defend the legal rights of accused and convicted defendants, as well as of aggrieved parties, and to ensure the lawful functioning of the investigative agencies by exercising control over their activities.

The Prosecutor's Office is a de-politicized organ and will continue to be so. The Prosecutor's Office has been formed as an independent law enforcement agency within the system of the Ministry of Justice. The Government carries out important measures for the professional development of employees of the Prosecutor's Office, in order to enable the prosecutors to rise up to the new challenges involved in judicial independence and equality of the parties in the judicial process.

The restoration of justice and the return of property illegally seized prior to 1 October 2012 to its rightful owners remain one of the key priorities of the Chief Prosecutor's Office. An

investigation department was set up at the Chief Prosecutor's Office to investigate offences committed during the judicial process. Legal mechanisms will be put in place to ensure the return of the illegally seized property and to provide speedy and effective remedies for the breached rights.

The Prosecutor's Office will also work intensively to introduce a system of evaluation and professional development of employees of the Prosecutor's Office on the basis of objective criteria.

Penitentiary System Reforms

Fundamental reforms started within the penitentiary system as of the end of 2012. The system based on fear and violence has now been changed by approaches oriented towards the re-socialisation of inmates. Torture and inhuman treatment are no longer a system problem of the penitentiary establishments.

The priority of the Ministry is to protect the rights of accused and convicted defendants and to ensure the harmonisation with European standards. The penitentiary institutions will continue to provide appropriate housing, nutrition, medical, hygienic and sanitary conditions for accused and convicted defendants, and will ensure their participation in resocialization-rehabilitation, educational and employment programmes. It is intended to exempt inmates from video-conferencing fees. From 2016, female inmates will be granted the right to long visits

Special attention will continue to be paid to preventing the ill-treatment of prisoners, invigorating the internal monitoring mechanism, ensuring immediate response to violations and the transparency of the system.

The classification of convicted defendants into risk groups and their referral to respective penitentiary establishments based on their assessed risk is an approach, which has been practiced since 2015. Low-risk penitentiary establishments have already been set up and special-risk establishments are due to be created in the near future. Rehabilitation centre will open for accused and convicted defendants in the age range 14-21 in compliance with standards of the Juvenile Justice Code.

Individual sentence planning has been introduced and is successfully used in the juvenile rehabilitation, women's and other penitentiary establishments. A project has been drafted to revise the existing bail release model, based on the international best practice. A new bail release model together with individual sentence planning will become an effective

instrument for successfully carrying out resocialization and rehabilitation programmes for convicted defendants.

Providing inmates with effective rehabilitation programmes, including by offering them educational, vocational training and employment opportunities, is one of the main components in terms of re-socialisation of inmates. The Ministry will encourage the operation of enterprises in the territory of the penitentiary establishments where inmates will be employed and receive their payments. Inmates will also be employed to perform minor repair works within the penitentiary institutions. The Ministry will promote the self-employment of inmates and the realization of goods produced during their individual activities.

Penitentiary healthcare reforms will continue which have already led to the substantial improvement of the components of financing, administration, infrastructure, programmes and services, as well as to the decrease of inmate mortality and suicide rates.

A primary healthcare model has been introduced, penitentiary healthcare standard and a list of basic medications – approved and other important measures – adopted in order to develop a healthcare system oriented towards vulnerable groups and their needs. Tuberculosis, HIV/AIDS&C Hepatitis Programmes are successfully ongoing. Suicide prevention and methadone detoxification programmes are also carried out successfully. Work will continue towards the further development of penitentiary healthcare and its integration into civilian healthcare.

Priority areas within the penitentiary healthcare system will continue to be: continuous professional development of medical staff; development of infrastructure and administrative capacities; expansion of medical services and quality assurance; continuous care for people with mental health problems and other vulnerable groups.

The further development of the system of non-custodial sentences will remain atop the list of the Ministry's priorities. Work will continue to further improve the defendant on bail risk assessment and individual sentence planning instrument.

A modern electronic monitoring system of minor inmates under house-arrest and a respective monitoring centre of international standards have been put into operation. House-arrest as a non-custodial form of punishment will be applied with respect of full-age inmates as well. The National Centre of Non-custodial Sentences and Probation in compliance with the Juvenile Code of Justice will arrange for the release of pre-trial reports that will ensure

that the best interests of minors are duly considered in criminal proceedings and will improve the quality of court decisions.

A series of legislative amendments will be implemented to bring the existing laws into compliance with European standards. Women's penitentiary facilities will be fitted out with special infrastructure. Various rehabilitation projects, including through the active involvement of civil society, will be carried out to ensure the re-integration of probationers. With the goal of promoting the employment of defendants on bail, a better access to vocational training will be ensured and the enterprises created within the probation system will become fully operational.

Additional rehabilitation programmes will be carried out based on the methods of probation risk assessment and individual sentence planning, which will contribute to the re-socialisation of defendants on bail and the prevention of repeated crime.

Continued professional development of penitentiary system employees still remains the priority of the Ministry.

The Ministry of Internal Affairs and the State Security Service – System Reform and Priorities

Upon de-politicization of the Police, fundamental systemic reforms were carried out in 2015, as part of the efforts to fulfil the pre-election promise regarding the Ministry of Internal Affairs, from which the State Security Service was separated.

Institutional reforms will be carried out within the Ministry of Internal Affairs, which will ensure the further development of the police and its transformation into an effective, reliable and modern institution accountable to people.

Police and civilian functions will be clearly differentiated, which will facilitate the establishment of a contemporary model of management, a stable career system oriented towards the professional development of policemen and the optimum use of state resources for ensuring the education and social protection of police employees.

The modernization of the criminal police will further continue, which will improve police capacities vital to the prevention of and fight against crime.

The Police will make a greater use of advanced technologies in its activities related to investigation of and response to crime. Forensic expertise capabilities will improve; police analysis system will be introduced and its use will become more widespread.

Police units will be provided with upgraded infrastructure and will be fitted out in compliance with modern standards.

Border management system reform will further continue to achieve the border police modernization and standardization.

Special attention will be devoted to the management of illegal migration and related risks, the Ministry's capacities will improve and the level of coordination with other agencies will increase.

Emergency situations and first aid system reform will come through to the finish considerably improving planning, coordination, and technical and rapid response capacities. At this stage of the reform, the component of professional development of rescue and fire officers will become as important as the component of technical equipment. The services of the Ministry of Internal Affairs will be further upgraded: new technologies will be introduced and access to them will increase; the process of providing services will become more customer-friendly.

Road traffic safety programme will be carried out to increase the effectiveness of the patrol police in terms of ensuring the safety of drivers, passengers and pedestrians.

The scope of international police cooperation will be further expanded and the level of coordination with European police structures will increase. Special attention will be paid to ensuring Georgia's participation in the regional formats of cooperation.

A series of measures will be carried out within the Academy of the Ministry of Internal Affairs of Georgia, through active cooperation with American and European partners, to ensure that the Academy acquires the function of regional centre of police education.

Priorities of the Ministry of Internal Affairs will continue to be:

- Rapid response to domestic violence and prevention of violence against women;
- Fight against organized crime – to prevent organized crime rate from increasing and to further decrease this rate;
- Analysis of risks involved in human trafficking and prevention of human trafficking, as well as detection of and response to various crimes;
- Protection of human rights standards in the temporary detention cells and the improvement of conditions for persons under administrative detention;
- Unconditional fight against drug-related crimes: further reduction in the supply of drugs, prevention of drug trafficking, maintaining results of the fight against the

supply of drugs from chemist's shops; control over new psychoactive drugs and reduction of their impact on the public order;

- Maintaining the results achieved in the area of personal data protection and improving the Ministry's approaches in this regard;
- Prevention and detection of police abuse of power and misconduct by increasing the effectiveness of internal control mechanisms.

As a result of the aforesaid measures, Georgia will have a community-oriented police, effective emergency situations management service, an integrated border management system and modern services, which will eventually ensure the better protection of the rule of law and civilian safety.

The implemented legislative amendments have led to the formation of an independent, depoliticized and professionally-staffed state security service with a high level of accountability.

The main function of the Security Service remains to be the protection of the constitutional order, the sovereignty and territorial integrity.

The main priority of the Security Service is to carry out anti-corruption activities, in particular by preventing, detecting and persecuting cases of elite corruption.

Adapting the resources of the Security Service to the current needs will be yet another priority of the Security Service. The Security Service's investigational and analytical capacities will be further improved.

In order to ensure the effectiveness of the fight against espionage, terrorism, proliferation of weapons of mass destruction, transnational organized crime and other threats, cooperation will deepen with the security services and law enforcement agencies of the partner countries.

Defence System and Armed Forces

The Georgian Government's overriding goal is to establish institutionally strong defence system based on democratic principles, and to form NATO-interoperable professional armed forces capable to deal with the threats facing the country. The Defence Ministry plays one of the leading roles in the process of Georgia's integration with NATO. Accordingly, its top priority is to meet all preconditions for becoming a member of the Alliance and to make an effective contribution to ensuring the international security.

Ensuring transparency and accountability of the defence system; improving defence management and defence capabilities; increasing NATO-interoperability and international cooperation are among the most important institutional reforms whether planned or ongoing.

In the area of human rights, special attention will be paid to the protection of fundamental rights and freedoms of armed forces personnel, the strengthening of military and civilian relations and the prevention and elimination of any form of gender discrimination, for which the Gender Equality Strategy of the Ministry of Defence was approved.

For better regulation of the issues relating to the area of defence, work will continue to ensure the revision of regulatory laws and procedures; introduction of organizational support systems; further development of programme budgeting, management of resources and procurement system. The internal budget department will become fully operational.

The existing financial resources and the assistance of the Alliance's Member States will go towards the development and improvement of air, land, anti-tank, transport and other capabilities. The priorities of the defence system include: education, military training, military doctrines, management and control, mobility and counter-mobility, military intelligence system, artillery capabilities, special operations forces, military police capabilities, logistics system, reserve system development, development of cyber defence capabilities, military infrastructure.

Military infrastructure will be further developed; special attention will be devoted to providing military bases with necessary facilities; efforts will continue towards implementing cantonment rehabilitation and development projects aimed at improving the conditions for armed forces personnel.

The further reforming of the training and educational system will incorporate all stages for military career development. A great deal of attention will also be paid to professional development, as well as to the establishment of new training centres and to the further development of the existing ones. The Defence Academy's Master's Degree Programme will be launched as of 2016. The Programme will offer the armed forces personnel an opportunity

to undergo a full higher education course, which represents an important step towards realizing the concept of “educated army”.

Efforts will continue to improve health and psychosocial status, as well as re-socialisation of armed forces personnel. The modernization and upgrading of the Tserovani Rehabilitation Centre is due to start in 2016.

One of the Government’s top priorities in the defence area will be the strengthening of cooperation with NATO, the European Union and the strategic partners. Special accent will be placed on the implementation of the commitments undertaken with respect to NATO and the European Union. Considerable amount of resources will be directed towards the timely and effective implementation of the Substantial Package granted to Georgia at the NATO Wales Summit. To strengthen Georgia’s defence capabilities and the capacities of the Georgian armed forces, intensive cooperation will continue with the United States of America under the U.S.-Georgia Charter on Strategic Partnership. Effective cooperation will continue with the Alliance within the framework of various programmes, including the NATO Trust Fund and the Professional Development Programme. Georgian troops continue to participate in the peacekeeping missions making their own contribution towards ensuring global security.

Georgia will continue to participate in the ongoing crisis management operations under the Common Security and Defence Policy (CSDP).

Various projects for the promotion of the Georgian army will be carried out to promote the spirit of patriotism among young people and to raise public awareness about the Georgian troops.

Protection of Human Rights

Pursuing a policy oriented towards the protection of human rights is one of the top priorities of the Government. The Government developed and the Parliament approved National Human Rights Strategy for 2014-2020, in order to increase the effectiveness of and coordination among various human rights agencies.

The Human Rights Strategy defines the Government’s long-term vision and priorities in the field of human rights, including the rights of minorities and vulnerable groups. With the goal

of ensuring the successful implementation of the Strategy, the action plan will be updated; the Interagency Coordination Council for Human Rights and the Human Rights Secretariat will continue to research and analyse the achievements and challenges in the human rights area, in close cooperation with various local and international organizations.

Work will continue to promote the education, employment, health and social protection of people with disabilities and ensure their full-scale integration into all spheres of life.

Introducing high standards of tolerance and avoiding any form of discrimination remain atop the list of the Government's priorities. At the same time, work will continue to ensure the effective investigation of the acts of discrimination, which amount to criminal offences.

Public Administration and Civil Service Reform

Effective public administration system is a major instrument for building a democratic state. In 2012 the Georgian Government launched public administration reform, which, on the one hand, aims at achieving transparent and democratic governance and, on the other, at getting closer to the EU public administration system.

In 2015 the Government of Georgia approved Public Administration Reform Guide 2020 setting forth the Government's medium-term policy in this sector. The public administration reform is ongoing and covers such areas as policy planning system, human resource management within the civil service, accountability, public financial management, provision of public services and local self-government.

The civil service reform is an integral part of the public administration reform. Development of an effective civil service is essentially important in terms of Georgia's integration into the European and Euro-Atlantic structures. The implementation of the civil service reform will lead to the formation of an open and effective civil service insulated from political influence. Such civil service will be based on the clearly-defined and solid legal framework; an institution of career civil servants will be formed allowing the continuous professional development of civil servants - a prerequisite for creating a merit- and performance-based civil service.

The special achievement of the year 2015 is the adoption of the Law of Georgia on Civil Service which will come into force as of 1 January 2017. In 2016, the Government of Georgia will prepare drafts of the Law of Georgia on Pay Arrangements for Civil Servants, the Law of Georgia on Legal Entity of Public Law and 13 statutory acts. The system for certification of

persons applying for civil service jobs and for evaluation of performance of civil servants will be introduced. The project of functional analysis of the civil service agencies will continue in order to ensure the integrity of the entire civil service system, the incorporation of each civil agency in it, as well as the contemporary institutional design of civil agencies, at the level of central civil agencies, local self-government bodies and legal entities of public law.

Furthermore, in order to ensure that the civil service is formed as a transparent and accountable system as part of the civil service reform, the institute of whistle-blowers will be further strengthened; general rules of ethics and behaviour of civil servants will be developed and a mechanism of monitoring over asset declarations of senior civil servants will be introduced as an effective tool for fight against corruption.