

## Cover til brug for bevillingsgodkendelse 10-37 mio. kr.

<b>Titel:</b>	<b>Demokratiseringsprogram i Georgien 2017-2021</b>
<b>Partner:</b>	Europe Foundation
<b>Beløb:</b>	30 mio.kr.
<b>Finanslovskonto:</b>	§06.32.11.10
<b>Finanslovsår:</b>	FL2017
<b>Resumé:</b>	
<p>Georgien har siden 1990'erne gennemført mange reformer, som bl.a. har skabt et mere demokratisk og pluralistisk samfund med bedre fungerende statslige institutioner, lav korruption og et aktivt civilsamfund. Georgien ses i dag som det østlige partnerland, der er længst fremme med reformer og implementering af AA/DCFTA.</p> <p>Civilsamfundsorganisationer i Georgien har spillet en stor rolle i udvikling af demokratiet, herunder ved at opbygge befolkningens kapacitet til at påvirke beslutningsprocesser lokalt, regionalt og nationalt. Denne udvikling er stadig ny, og der er fortsat behov for støtte for at fastholde allerede opnåede resultater, særligt i regionerne og blandt de unge.</p> <p>Europe Foundations overordnede formål er at styrke befolkningens evner og muligheder for at skabe forandringer for social retfærdighed og økonomisk velstand. Målet er et demokratisk Georgien fri for konflikt, med socialt engagerede borgere, et ansvarligt erhvervsliv og bæredygtige, ansvarlige og effektive civilsamfundsorganisationer. Europe Foundation støtter derfor mindre civilsamfundsorganisationers arbejde med at forbedre forholdene i deres (lokal)samfund, så befolkningen kan blive bedre i stand til at sikre og tage ansvar for deres egen sociale og økonomiske velstand og deltage som aktive borgere i et demokratisk samfund.</p> <p>Europe Foundation har bl.a. følgende hovedindsatsområder:</p> <ol style="list-style-type: none"><li>1) Opbygning af frivilligt engagement og lederskab blandt unge i deres lokalsamfund gennem ungdomsklubber, netværk, træning, mindre bevillinger;</li><li>2) Mobilisering af regionale civilsamfundsorganisationer til øget borgerinddragelse og gennemsigtig offentlig forvaltning;</li><li>3) Fremme af social virksomhed i et samarbejde med erhvervslivet for at sikre, at civilsamfundsorganisationer styrker deres bæredygtighed og skaber bedre inklusion af sårbare grupper;</li><li>4) Støtte til mindre lokale projekter identificeret af civilsamfundsorganisationer, som arbejder med at øge borgerinddragelsen i regionerne.</li></ol> <p>Europe Foundation vil derudover også arbejde med at fremme mediekompetencer hos civilsamfundsorganisationer, aktivister samt unge gennem opbygning og udvikling af viden og redskaber så de kan blive habile og kritiske mediebrugere.</p> <p>Støtten til Europe Foundation vil blive givet i form af et kernebidrag på DKK 30 mio. kr. i</p>	

perioden 2017- 2021.

**Strategisk prioritering/tilvalg/fravalg:**

I den nye strategiske ramme for Danmarks Naboskabsprogram er Georgien et af de to prioriterede lande i regionen. Det planlægges fra 2017, at 1/3 af støtten under Naboskabsprogrammet allokeres til Georgien, og der er derfor tale om en generel udvidelse af det danske udviklingsengagement i Georgien. Tematisk vil støtten fokusere på to områder: 1) demokratisering og menneskerettigheder og 2) inklusiv og bæredygtig økonomisk vækst.

Det er relevant at støtte Georgiens civilsamfund, som allerede er stærkt i og omkring Tblisi, men som har brug for et kapacitetsløft uden for de større byer og for at engagere de unge, som aktive borgere i udvikling og fastholdelse af et demokratiske Georgien.

Med programmets nuværende forvaltning fra Udenrigsministeriet i København foretrækkes det at støtte Georgiens civilsamfund i samarbejde med SIDA, der er til stede i landet og tidligere har skabt gode resultater for Georgiens civilsamfund gennem støtte til Europe Foundation. Der vil blive indgået en aftale om et delegeret samarbejdsaftale med SIDA.

## **Democratisation Programme in Georgia (2017-2021)**

### **Development engagement document**

#### **Introduction**

The present development engagement document details the objectives and management arrangements for the development cooperation concerning the Democratisation Programme in Georgia (2017-2021) as agreed between the parties specified below. The development engagement document is annexed to the Bilateral Agreement with Implementing Partner and constitutes an integrated part hereof together with the documentation specified below. The Danish support is part of the support provided as part of the Democratisation Programme in Georgia under the Danish Neighbourhood Programme.

#### Parties

Ministry of Foreign Affairs of Denmark (MFA), Europe Foundation (EPF)

#### Documentation

Europe Foundation Strategy 2014-2021 (Programme document)

#### **Background**

Many of Georgia's democratic and reform processes are being re-examined and reassessed by the international community in the light of a radical reshaping of its political landscape following the parliamentary and presidential elections in 2012-14. In particular, new ways of engaging with the government, public institutions and the Georgian society as a whole are being developed amid concerns that the recent democratic achievements are still tenuous and may be under threat. This is taking place in the context of evidence that the influence of the Russian soft-power on Georgian society is growing despite continued support from the West for its closer integration with Europe.

The year 2008 was a turning point for the 4 million citizens of Georgia as a result of the week-long war with Russia over South Ossetia. Despite its unsettling effect, Georgia passed the test of the strength of its democracy, when the first peaceful transfer of power in the country's history took place in 2013-14. The departure of President Mikheil Saakashvili and his political bloc from power was a major political shift, but this time it did not trigger internal conflict or instability.

The democratic investment in Georgia of the last 25 years has produced a vibrant society with pluralistic and freedom-minded attitudes but beleaguered by continuous democratic and governance deficits. Georgia stands out in this area in the Caucasus region and the international community is determined not to allow erosion or squandering of the achievements of the reforms conducted so far in the country which acts as a beacon of democracy and progress for the whole of the region.

The international community's interventions in Georgia in the past few years targeted cooperation with state institutions and government agencies, with the activities concentrated in the capital, Tbilisi, and major cities. With more attention given to good governance and judicial reforms in the past programmes

came the growing need to revert to a more grassroots-oriented approach of targeting civil society and regions outside Tbilisi in the future – something identified early and being put into practice by EPF.

### **Europe Foundation**

EPF's mission is to empower people to effect change for social justice and economic prosperity through hands-on programs, helping them to improve their communities and their own lives. To achieve its mission, EPF strives (1) to strengthen the capacity of individuals and institutions, empowering them to address pressing issues and (2) to mobilize relevant stakeholders in issue-based dialogue, through raising public awareness and creating various coalitions, platforms or working groups, so as to effect positive democratic change. EPF's work is guided by the following approaches: (1) creating opportunities for civic participation in public policy making, (2) engaging youth, (3) fostering culture of corporate and community philanthropy, including through formation of public-private-NGO partnerships, (4) promoting evidence-based advocacy and decision making, and (5) building confidence across religious, ethnic, and community divides.

EPF's programmatic and grant making interventions are guided by its mission and utilize its approaches. Some of its flagship programs include *Engage and Monitor for Change*, *European Integration*; *Youth Integration*; *Social Enterprise*; and *Open Door Grant making*. Together, they feed into achieving the Foundation's mission and provide opportunities for Georgians to engage in social, economic, and political developments, in order to effect substantive and sustainable democratic change at the local and national level. Through these programs, and in tandem with a comprehensive institutional development strategy, EPF will implement its mission and, in the process, will unite local civil society's efforts in the pursuit of our common goal: **Georgia that is democratic, conflict-free, and with civically engaged citizens, socially responsible businesses, and sustainable, accountable, and effective third sector organizations.**

To this affect, EPF's *Engage and Monitor for Change Program* takes initiative to mobilize regional CSOs and support the efforts to create a more institutionalized channel for participation and information exchange between regional CSOs and national authorities. EPF **continues to provide grant support to CSOs to undertake civic monitoring and advocacy efforts, to enhance civic participation and to contribute to more inclusive, accountable, and transparent public policy making.** EPF also continues with small institutional development grants to newly established or less institutionalized grassroots CSOs with demonstrate connections with their constituencies, so that all citizens of Georgia have the capacity and venues to exercise their rights, formulate their claims, and seek redress.

The *European Integration Program* **promotes democratic participation in the process of Georgia's integration into the EU**, by (1) facilitating improved policy and compliance with the European Integration commitments taken on by the Georgian authorities and (2) building consensus on the implementation of the EU-Georgia Association Agreement (AA). EPF's focus on consumer rights directly contributes to the protection and promotion the people's right to be informed, the right to safety, the right to be heard, the right to redress and others, which are at the forefront to democratic development. Toward this end, the Program works on creating conditions for improved food safety and consumer protection in Georgia. In addition, EPF conducts annual assessments of the implementation of the AA or other relevant action plan commitments by the Government of Georgia (GoG) and, based on the results of the assessment, identify issue areas that require further attention in terms of increased transparency and civic participation.

Through its *Youth Integration Program*, EPF **continues to promote youth volunteerism and civic engagement by building their capacity as civic leaders and community philanthropists, providing opportunities to engage as active citizens in identifying and addressing local needs.** To this end, EPF continues to support the already created Youth Idea Clubs (YICs) in 25 municipalities of Georgia, including Abkhazia, by training local youth in Youth Bank methodology and providing them with small grants to support micro projects developed by their peers for responding to community needs. EPF fosters network building among the YICs from different parts of Georgia by supporting cross-community initiatives that are designed to enhance youth democratic engagement across the country. To foster the spirit of volunteerism and tap into the resource of former YIC members, EPF continues to engage with “graduated” YIC members. EPF puts additional emphasis on communicating its youth integration model to the public, as well as to broader list of stakeholders to garner their support.

EPF’s *Social Enterprise Development Program* continues to promote the concept of social enterprise (SE) as one of the ways for **CSOs to ensure their long-term sustainability** and, in this process, to **foster improved socio-economic inclusion of vulnerable groups.** While EPF will foster business community’s engagement in all of its programs, input from local businesses will be particularly sought out in the effort to promote the SE concept and support CSOs in diversifying their funding. During the implementation, EPF’s efforts focus on engaging both the duty-bearers and the rights-holders both on local and national level, utilizing a multi-stakeholder platform that will develop concrete proposals on how to improve regulatory environment and practice to support the creation of SEs and lobby relevant public authorities to see through these proposals. EPF continues its successful practice of engaging youth in its efforts to promote the SE concept. EPF will make investments in social enterprises to ensure development of flagship social enterprises on one hand, and to contribute to future sustainability of EPF on the other.

The Foundation’s *Open Door Grant making Program* continues to provide CSOs with one of the very few opportunities to be proactive in identifying and addressing local needs and making strategic choices and decisions on existing social and political challenges. **EPF continues to support pilot projects that foster civic engagement** for democratic change. EPF puts more emphasis on providing Open Door grant support to regional CSOs that either serve as resource to other local CSOs and civic activists. EPF encourages potential grantees to develop longer-term projects, up to 18 months, and set concrete benchmarks for fund disbursements. For those CSOs that serve as resource centres in their regions and are awarded Open Door grants, EPF offers to provide organizational development (OD) support, to promote their longer-term sustainability.

To achieve the above-described objectives, EPF will **mainstream media literacy** in its programming and grant making, improving the quality and impartiality of information that citizens receive and convey. Toward this end, EPF will initially identify experts or organizations that can support the Foundation’s media literacy efforts and increase its own capacity in this area. It will then target CSOs, civic activists, and youth throughout Georgia to equip them with skills and instruments to become savvy media consumers. The Foundation’s media literacy efforts will include trainings in digital media skills, to support the beneficiaries in learning how best to exploit the power of the media for making their social and civic activism more effective. EPF’s emphasis on evidence-based advocacy and development of high quality media content will

tangentially be targeting the development of “passive” media literacy skills as well, so that the targeted individuals are able to critically analyze and evaluate the content provided by the media outlets.

### Theory of Change

If Civil Society (CSOs and active citizens) capacity and sustainability in addressing citizens’ societal needs is strengthened, *then* citizens will take more responsibility for their own social and economic prosperity. With a demand-driven approach civil society actors can better determine and achieve outcomes of enduring benefit to themselves and their communities. This consequently would increase CSOs’ accountability and citizens’ trust towards them.

Important *assumptions* in this theory of change are that all partners remain committed to this goal; CSOs especially the implementation partners, remain fully engaged and transparent; and that no outer political and social crisis derail the process.

### Development Engagement Objective

The MFA will base the actual support on progress attained in the implementation of the engagement as described in the documentation. Progress will be measured through SIDA’s monitoring framework.

The overall objective of the planned programme is in line with the EPF’s Theory of Change:

*To improve Civil Society’s capacity and sustainability to address societal needs at regional and local level covering neglected or marginalised areas and communities.*

For Danida’s reporting purposes the following key outcome and output indicators have been selected to document progress:

Project title		Democratisation Programme in Georgia	
Project objective		<i>To improve Civil Society’s capacity and sustainability to address societal needs at regional and local level covering neglected or marginalised areas and communities.</i>	
Impact Indicator		Improved capacity and sustainability in Georgia’s civil society to address societal needs at regional and local level covering neglected or marginalised areas and communities	
Baseline	Year	2017	Limited capacity and sustainability of civil society in neglected or marginalised areas and communities
Target	Year	2021	Citizens take more responsibility for their own social and economic prosperity
<b>Outcome 1</b>		<b>Enhanced civil society influence on public decision making</b>	
Outcome indicator		# of changes addressing societal needs brought by monitoring and advocacy efforts of CSOs and civic activists verified through EPF grantee reports and site visits  Level of civic activism in targeted communities (gender disaggregated when possible) verified through survey report	
Baseline	Year	2017	EPF grantee report and site visits since beginning of current EPF strategy period = 4

			Analysis of gender skewed activism and development of strategy to increase the civic activism of the underrepresented sex is ongoing
Target	Year	2021	EPF grantee report and site visits since beginning of current EPF strategy period = 6 (of which at least 1 is achieved through effective media engagement)
Output 1		Targeted stakeholders (CSOs, public authorities, the media, business community) contribute to improved regulatory and policy	
Output indicator		# of issues of common regional concern identified and addressed through multi-stakeholder working group(s) or platform(s) that include representatives of CSOs, public authorities, business community and/or the media	
Baseline	Year	2017	0
Target	Year 5	2021	1
Output 2		CSOs and civic activists independently and through platforms/coalitions address societal needs through participatory civic monitoring	
Output indicator		# of important for local communities issues put on public policy agenda by CSO efforts # of civic activists	
Baseline	Year	2017	# of issues each year = 4 #activists each year = 10
Target	Year	2021	# of issues each year since 2017 = 5 # of activists each year since 2017 = 15

<b>Outcome 2</b>		<b>Enhanced youth volunteerism and civic engagement to address target community needs</b>	
Outcome indicator		# of volunteers mobilized through youth-led initiatives funded by YICs	
Baseline	Year	2017	4000
Target	Year	2021	8000 (800 new volunteers per year)
Output 1		Young women and men are involved in community activities	
Output indicator		# of new youth led initiatives for community development implemented by the YICs outside EPF support	
Baseline	Year	2017	85
Target	Year	2021	250 (between 25 and 40 new per year)
Output 2		Targeted stakeholders support the YB model	
Output indicator		# of local authorities making in-kind or financial contributions to the youth-led initiatives	
Baseline	Year	2017	20
Target	Year	2021	64

### Risk Management

In the framework of the proposed delegated co-operation with SIDA and core funding for EF, programmatic risk management requirements are reduced and as it is part of the SIDA's quality assurance, monitoring and evaluation procedures.

## Budget

The overall Danish programme budget (30 DKK million for 60 months) is planned to be committed in Q2 of 2017. The funds will be provided to EPF as a “core” funding in a delegated cooperation. Due the fact that EPF currently receives from SIDA an annual core funding of approximately 9.3 SEK million until June 2019, it is suggested that the DANIDA’s contribution will be disbursed as indicated below.

Development engagement	2017	2018	2019	2020	2021	Total
Core support to EPF	1.2	2	6.3	10	10	29.5
Review /M&E			0.5			0.5
Total in DKK	1.2	2	6.8	10	10	30

## Management arrangement and M&E

The parties have agreed to the following management arrangement with the aim to ensure adequate dialogue and timely decisions in regard to this development engagement. A joint arrangement for a delegated core support to Europe Foundation between the Swedish International Development Cooperation Agency (Sida) and Danida will be entered.

EPF will be responsible for the implementation of the activities against the benchmarks agreed with SIDA. To this aim EPF has established an internal, technical and financial monitoring system for the programme and will submit regular progress and final reports. Consequently, Denmark will receive reporting from SIDA on the whole programme.

SIDA/Georgia has acceded to the idea of jointly coordinating programming and implementing efforts with DANIDA. SIDA’s ongoing support for EPF based on the programme related core funding will continue until July 2019. If SIDA does not renew the support to EPF, Danida will take over the M&E functions.

SIDA and Danida will meet annually to discuss the implementation of the Programme during the Annual review meeting. The meetings will be called and chaired by Sida. Additionally, Sida will hold semi-annual consultation meetings with EPF. Sida will ensure that Danida is informed about and invited to the semi-annual consultation meetings. EPF will submit an Annual Work Plan and Budget for the coming year before the annual meetings.

## Financial Management

All parties will strive for full alignment of the Danish support to the implementing partner rules and procedures. Denmark will receive financial reporting from SIDA on the whole programme.

EPF will annually submit its financial statement to SIDA. The financial statement shall include all income and shall specifically display all funding sources, including funds allocated by each donor.



**Monitoring and Evaluation**

The MFA shall have the right to carry out any technical or financial mission that is considered necessary to monitor the implementation of the programme. Denmark will consider being represented in the mid-term review of the programme, however, conducting separate M&E/review exercises is not foreseen unless irregularities are observed. Denmark will have a regular dialogue with SIDA on the programme and during visits to Georgia have meetings with EPF and SIDA on the progress of the programme will be held.

After the termination of the programme support the Danish Mission reserves the right to carry out evaluation in accordance with this article.

**Signatures**

Date:

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Europe Foundation

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Ministry of Foreign Affairs of Denmark

## Summary of recommendations of the appraisal

Title of (Country) Programmes	Democratisation Programmes in Ukraine and Georgia, 2017-2021
File number/F2 reference	2016-15773
Appraisal report date	8 <sup>th</sup> March 2017
Council for Development Policy meeting date	N/A

### Overall conclusion of the appraisal

Both Development Engagements (DEs) under the future Danish Neighbourhood Programme (DANEP) Thematic Programme: Democratisation and Human Rights are found to be focused and lean. They will be implemented by the UNDP in Ukraine and European Foundation (EF) in Georgia, the latter through a delegated management arrangement with Sweden. Through this set up the MFA avoids institutional complexity.

The two DEs, which aim at strengthening Democracy and Human Rights in Ukraine and Georgia through support to civil society, are highly relevant vis-à-vis the political economy, human rights challenges, CSO space and democratisation reform processes. They support Ukraine's and Georgia's development frameworks and visions on democratisation and human rights in compliance with the relevant human right analysis, national visions and specific CSO strategies in Ukraine and Georgia. Both DEs have a strong focus on mobilising citizens including the most *marginalised, women and youth*. Reaching constituencies remain a key challenge for CSOs in both countries. Continued support to civil society is key to support the democratic changes and ongoing reform process of both countries. Yet, as stressed by several leading experts it is particular important to support CSOs at the regional and local level as it is here the real "changes" can be made and where "entries" are. The AT finds it important that *HRBA and Gender Equality* continue to be further operationalised and deepened by both UNDP and EF at the local level. Hence, the AT is very encouraged to see that the focus in both countries is to reach and mobilise the most marginalised right holders and communities including the youth, women and minorities. The AT notes that the humanitarian-development nexus is integrated in the DE for Ukraine, yet, pleased that the focus of the DE is maintained on supporting CSOs on democratisation efforts. This is justified and much needed given the decrease in general CSO support as more funding have been turned towards supporting CSOs support to Internally Displaced People. In Georgia, the additional focus on media literacy is found timely and relevant given the risks of Russian propaganda.

Both DE's are aligned with the SDGs, particular Goal 5, 16 and 17 and "Denmark's strategy for Development Cooperation and Humanitarian Assistance, The World 2030", the "Danish Neighbourhood Strategy" as well as the "Danish Policy for Support to Civil Society" and "Human Rights Based Approach (HRBA) Guidance Note".

The choice of both partners is well justified, given their organisational and financial capacity and both partners have solid track record with civil society in Ukraine and Georgia. The AT finds that it would lead to unnecessary institutional complexity if EUN/MFA had followed the recommendation of the 2016 DANEP Evaluation to provide direct support to civil society organisations (CSOs) in Ukraine.

The AT agrees with the risk analysis of both engagements. The engagement in Ukraine is a high risk programme considering the current political economy of Ukraine with associated risks related to the Russia annexation of Crimea, instability at the eastern border areas and significant economic and corruption challenges. In Georgia the risks are much lower and the main contextual risk relates to the political Russian propaganda.

The AT commends the robust monitoring and evaluation (M&E) systems of both engagements. Yet, the AT is not able to comment on how it will link with the overall DANEP M&E mechanism as the overall DANEP is yet to be formulated. However, given the high risks in Ukraine this engagement calls for a substantive M&E support.

**The two Development Engagements are recommended for approval with only minor adjustments.**

Recommendations by the appraisal team	Follow up by the responsible unit
<b>Country programme/Programme Level:</b> N/A	
<b>Thematic Programme Level:</b> N/A	
<b>Engagement Level</b>	
<b>Democratisation Programme in Georgia (2017-20)</b>	
<p><b>i. Results Framework in DED</b></p> <p><i>The EF Danida DED and in particular the media literacy sub-component be revised to reflect the planned activities and expected outputs of EF's media literacy cooperation with partners. Specific targets should comprise expected results among young constituencies, among minority communities, and to the extent possible be gender disaggregated</i></p>	The document has been revised in order to accommodate the recommendation.
<p><b>ii. Management</b></p> <p><i>A Memorandum of Understanding with regard to the delegated management following the Nordic + model be drafted and agreed between SIDA and the MFA, including potential post 2019 transfers of responsibilities.</i></p>	EUN will sign an agreement with SIDA on the delegated cooperation

I hereby confirm that the above-mentioned issues have been addressed properly as part of the appraisal and that the appraisal team has provided the recommendations stated above.

Signed in Copenhagen, 29/3/2017 on the 29/3/2017  
  
 Appraisal Team leader/TQS representative

I hereby confirm that the responsible unit has undertaken the follow-up activities stated above. In cases where recommendations have not been accepted, reasons for this are given either in the table or in the notes enclosed.

Signed in Copenhagen on the 28/3 - 2017  
  
**UFFE BALSLEV**  
 Head of Unit/Mission

