

Supporting Georgia's Development Aspirations

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Structure of presentation

- Leadership on development at the WBG
- What does this mean for Georgia
- Supporting Georgia's goals

Leadership on development at the WBG

Ø Overarching objectives: faster and more inclusive growth, reducing extreme poverty

§ Country specific objectives

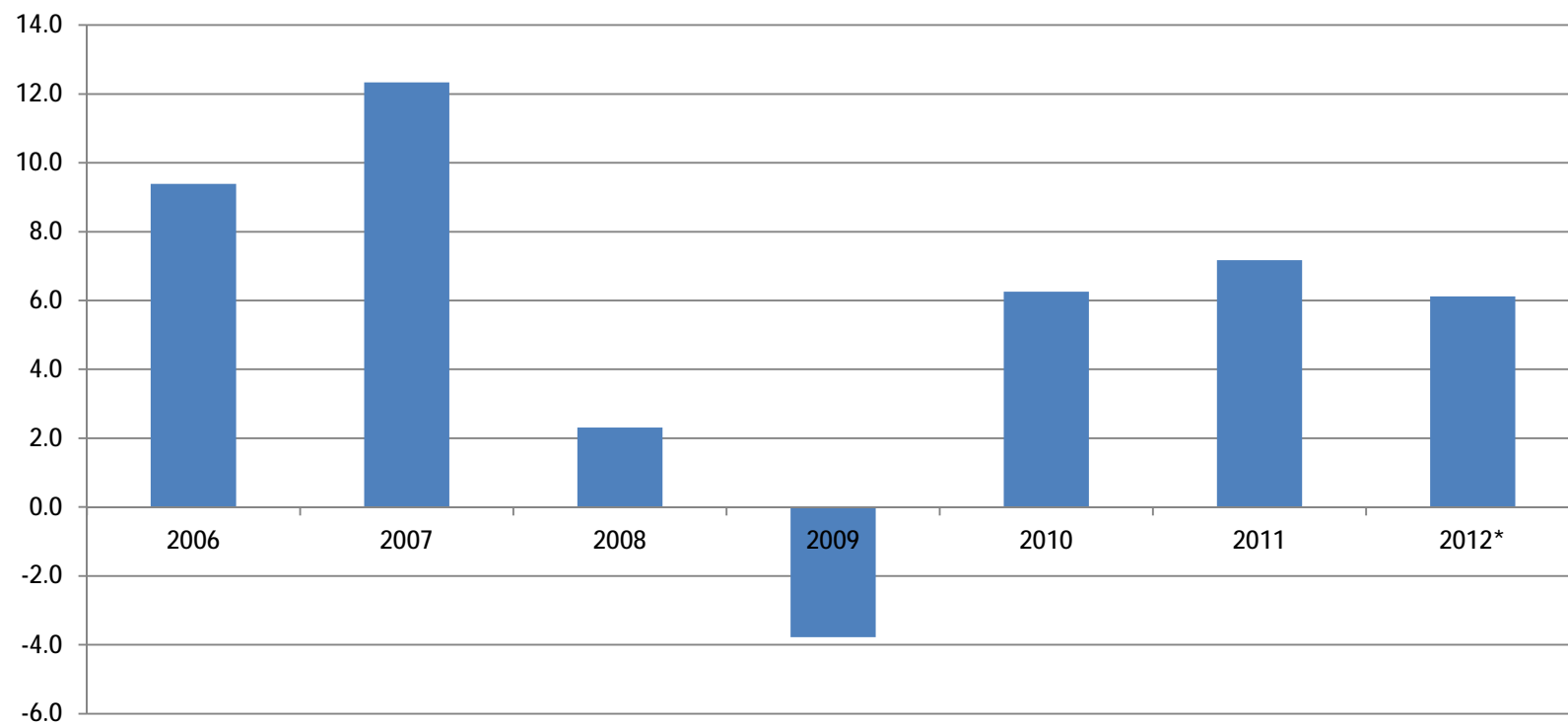
§ Clearer line of sight to development challenges and impact

What does this mean for Georgia?

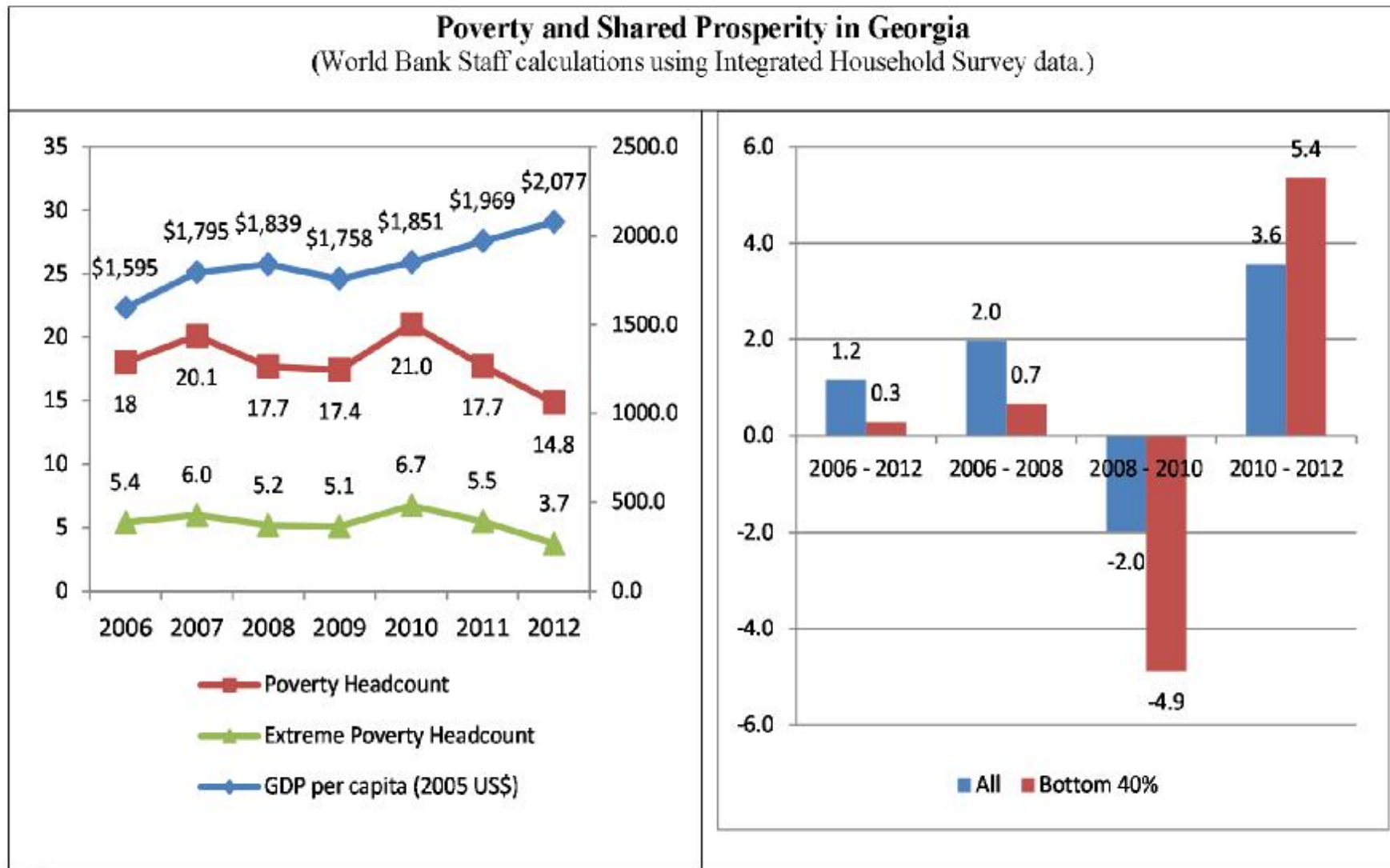
Georgia: Strong GDP Growth

FDI led, non-tradable services, construction, agri stagnates, productivity growth from job shedding in public sector

Countercyclical fiscal policy; expansion of public investment



Performance on poverty and inclusion less impressive than growth rates



Challenges and Opportunities

Ø Past policies led to high growth backed by FDI (and later public investment). BUT non-tradable sectors dominant:

§ Improve quality of public services

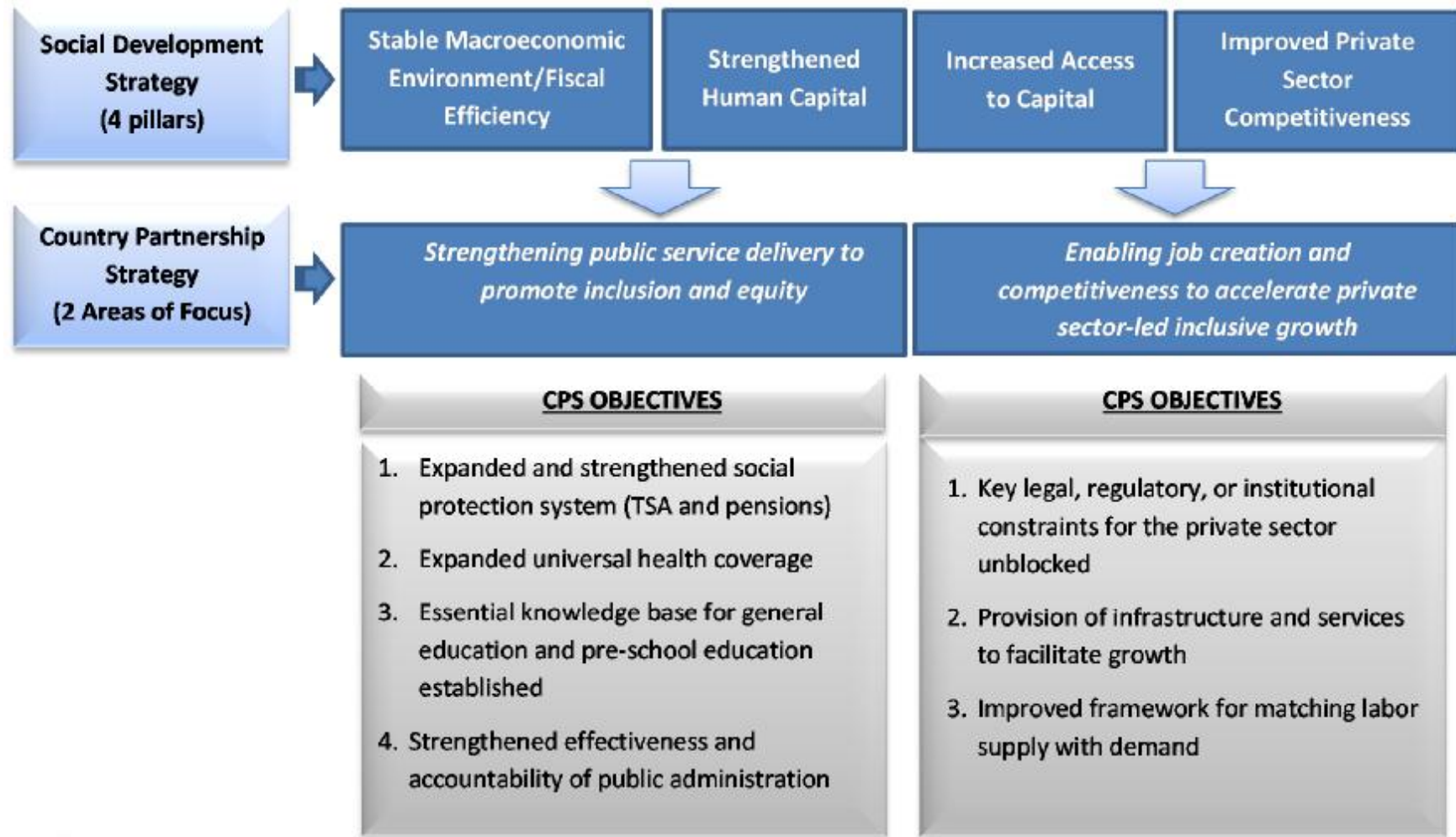
- Public sector management
- Health/Education/Social Protection/Sustainability

§ Reduce unemployment and reliance on social transfers

Leveraging the DCFTA: focus on productivity

- Skills
- Infrastructure: transit and energy
- Financial access and SME capacity

The World Bank Group's Program is anchored in the Govt. strategy



Supporting Georgia's goals

Development Policy Loans Anchor of WBG Engagement

- § Focus on outcomes
- § Support to policy and institutional reforms
- § Historically three pillars in Georgia/Macroeconomic policy framework is a pre-requisite:
 - Competitiveness
 - Public sector management
 - Social sectors

THANK YOU!