Over the last two decades, Georgia has seen considerable economic growth and was able to reduce its national poverty headcount by about one third. Georgia has now become a middle income country.

### CSPE objectives and scope
- Evaluate the results and performance of the IFAD financed strategy and programme in Georgia.
- Produce recommendations for future partnerships between IFAD and Georgia to improve development effectiveness and to eliminate rural poverty.
- The evaluation time-frame is from 2004 - 2016 covering the 2004 and 2014 Country Strategic Opportunities Programme (COSOP).

### Evaluation storyline
- This is the first CSPE since IFAD operations began in Georgia in 1997.
- Since then, IFAD adapted to various changing contexts and realigned its strategies with changing government priorities.
- IFAD has accommodated government requests by shortening project durations, focusing on infrastructure and adding grant resources to loans.

### Highlights - infrastructure & MFIs
- Construction of a road enabling several villages direct access to a local market in Shuakhevi.
- These villages recorded an increase of production due to their increase of market access.
- Micro-finance institutions (MFI) increased smallholder income by 28 percent. MFI loans have increased in value with repayments close to 100 percent.
Main evaluation findings

Areas of strength

Transport
Transport infrastructure improved access to services and local markets for mountain and highland communities. Over 9,816 households now benefit from better transport.

Partnership building
Co-financing partnerships added value beyond their financial contribution and allowed IFAD to increase visibility without a country office.

Microfinance
The successful introduction of micro-finance and of innovative finance products (e.g. electronic remittances, mobile money) are highlights in the portfolio.

Institution-building
Significant improvements have been achieved with regard to strengthening the institutional and regulatory framework through the earlier lending operations.

Areas for improvement

Gender
The gender aspect performed below corporate average. Systemic issues were not recognised and most indicators and results have not been gender disaggregated.

Efficiency
Efficiency was low mainly due to low internal rates of return and disbursements surge at project ends.

Knowledge management
Important knowledge has been generated through the grants and loans, but there was no systematic approach to document and share those experiences.

Targeting
Lack of attention to targeting people at risk of poverty and exclusion in the rural sector, in particular women and youth.

Recommendations

ONE
Establish some form of country presence or cofinance operations led by other development partners

TWO
Establish a strategic focus on rural finance and rural institution building, in line with government priorities

THREE
Radically revise the approach to targeting, to adopt an explicit strategy for targeting those at risk of poverty and social exclusion within the rural population