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European Training Foundation

YOUTH TRANSITION TO WORK IN GEORGIA

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PREFACE

Youth[1], also referred to as young people in this report, has long been a priority for the European Union (EU), which has developed youth policies addressing multiple dimensions. In 2009, the European Council adopted the EU Youth Strategy (2010–2018) aiming to provide equal opportunities for young people in education and the labour market and to encourage them to be active citizens. Since then a number of actions have been launched to promote better prospects for young people, notably the establishment of Youth Guarantee in 2013 (EU Council, 2013a), the adoption of the European Alliance for Apprenticeship in 2013 (EU Council, 2013b) and of the Quality Framework for Traineeships in 2014 (EU Council, 2014), all of which hope to support a smooth transition for young people from school to work.

The EU Youth Guarantee scheme is a commitment to ensuring that 'all young people under the age of 25 years receive a good-quality offer of employment, continued education, apprenticeship, [or] traineeship within a period of four months of becoming unemployed or leaving formal education'. The EU countries need to focus on early intervention, outreach (not only for those who are unemployed, but also for those who are inactive), activation and partnership. The measures offered to young people have a holistic approach, combining areas of employment, education/vocational education and training (VET), apprenticeships and traineeships.

European-wide youth transition surveys[2] confirm that work-based learning models (e.g. apprenticeships and on-the-job-training) support youth transition (European Commission, 2013a). The EU Resolution of 2008 on lifelong guidance underscores the importance of better integration of lifelong guidance into lifelong learning, supported by several EU policy papers on how coherent career guidance policies and systems contribute to achieving education, employment, youth and social policy goals (EU Council, 2008). This was in parallel to the adoption of an EU recommendation on key competences for lifelong learning in 2006 (EU Council 2006), which was then revised and updated in 2018 (EU Council, 2018a). The documents emphasised the importance of eight key competences to be instilled in pupils and young people[3] (EU Council, 2018a).

Following the recommendations of the Policy Brief on Youth Entrepreneurship (European Commission–OECD 2012), the EU developed the Entrepreneurship 2020 Action Plan in 2013 for reigniting the entrepreneurial spirit in Europe (European Commission, 2013b). Of the three priority areas identified in the action plan, two of them are directly linked to reaching out to young people, namely entrepreneurial education and training; the third priority area looks at nurturing the new generation of entrepreneurs. This was followed by the adoption of the EU Digital Competence Framework (European Commission, 2016a) and the EU Entrepreneurship Competence Framework (European Commission, 2016b), tools for supporting the development of some of those competences.

Another EU Communication on Investing in Europe's Youth published in 2016 covers three key areas of critical importance for youth: access to employment; education and training; and youth mobility, solidarity and participation (European Commission, 2016c). The importance of youth in EU policy

1 For statistical consistency across regions, the United Nations (UN) defines 'youth' as those persons between the ages of 15 and 24 years, without prejudice to other definitions by Member States. All UN statistics on youths are based on this definition. At the national level, 'youth' may be understood in a more flexible manner, for example defining 'youth' as those persons between the ages of 15 and 29.

2 See for example, the research called CATEWE (A Comparative Analysis of Transitions from Education to Work in Europe). For more info, see www.mzes.uni-mannheim.de/projekte/catewe/Homepage.html.

3 These eight key competences are communication in the mother tongue; communication in foreign languages; mathematical competence and basic competences in science and technology; digital competence; learning to learn; social and civic competences; sense of initiative and entrepreneurship; and cultural awareness and expression.

development can also be observed in the EU 2020 Benchmarks. Those benchmarks related to youth aims at decreasing the share of early school leavers aged 18–24, decreasing the share of youths aged 15–24 who are not in employment, education and training (NEETs), and increasing the share of employed graduates aged 20–34 by the year 2020.

Support for young people was identified within the Regional East Strategy Paper for the use of European funding for the period 2014–20. Youth policy was also one of the main focuses of the European Neighbourhood Policy Review (European Commission, 2015) and the Eastern Partnership (EaP)[4]. Enhancing opportunities for young people to find work is considered crucial for economic growth and competitiveness, social cohesion and stability. Since the EaP Summit in Riga in 2015, followed up by the Ministerial in May 2016, all participants agreed to step up actions in the four key priority areas[5]. One of these areas is mobility and people-to-people contacts (Platform 4), which includes three clusters: education, culture and youth; research and innovation; and migration, mobility and integrated border management. Under each priority area, six EaP countries agreed to reach a number of targets by 2020, as specified in the European Commission document *20 deliverables for 2020* (European Commission, 2017).

The *20 deliverables for 2020* document included some targets regarding young people: increasing youth mobility between the EU and EaP countries; adopting youth employment and transition-to-work strategies/action plans; reducing youth unemployment and NEETs rates; increasing youth enrolment in VET and employment rate of VET graduates; and reducing skills mismatch. In line with this, the countries agreed to increased mobility opportunities for young people and youth workers under the Erasmus+ programme. The participation of EaP countries in Erasmus+, Creative Europe, COSME[6] and Horizon 2020 programmes opens up new opportunities for universities, administrations, businesses, professionals, cultural and audio-visual operators, young people, students and researchers. Finally, the European Commission decided in 2017 to create a specific EaP panel on youth employment and employability to facilitate intergovernmental dialogue and cooperation.

The importance of youth strategy in the multilateral policy dialogue and EaP activities has gained further visibility, as acknowledged by the Joint Declaration of the Brussels Eastern Partnership Summit of November 2017 (EU Council, 2018b). The summit participants reaffirmed the importance attached to people-to-people contacts as an essential means to bring societies closer together, through education and training; youth, cultural and scientific exchanges; and mobility. The Joint Declaration states that investment in young people's skills, entrepreneurship and employability will be substantially strengthened, notably with a reinforced Youth Package presented by the EU under the EU4Youth initiative, which will include a new mobility scheme for young people and targeted actions of capacity-building activities (EaP Youth Window), as well as grant schemes focused on disadvantaged young people and youth entrepreneurship (2018–2020).

As part of the UN 2030 Agenda for Sustainable Development, the EaP countries were also among the countries that adopted 17 sustainable development goals (SDG) in 2015[7]. Of the 17 goals adopted, SDG 4 focuses on quality education and SDG 8 addresses decent work and economic growth. To achieve both of these goals, equal access for young people to VET and higher education, increasing

4 The EU's EaP strategy involves six countries: Republic of Armenia, Republic of Azerbaijan, Republic of Belarus, Georgia, Republic of Moldova, and Ukraine.

5 The four priority areas are: (i) strengthening institutions and good governance; (ii) economic development and market opportunities; (iii) connectivity, energy efficiency, environment and climate change; and (iv) mobility and people-to-people contacts. For each of the priority areas, an EaP platform has been created to bring together all countries from both sides for exchanges of policies and identifying cooperation opportunities. See Council of EU, 2018, p. 20, and European Commission, 2017.

6 COSME is an EU programme for the Competitiveness of Small and Medium-sized Enterprises (SMEs), particularly to facilitate and improve access to finance for SMEs.

7 For more info, see www.un.org/sustainabledevelopment/.

non-formal education opportunities for transversal skills[8], and reducing NEET rates were selected as indicators of development. Under the 2030 Agenda for Sustainable Development, in 2016, the UN launched its Global Youth Initiative to promote (decent) youth employment and scale up action and impact on young people[9]. The initiative has a multidimensional and multisectoral approach, focusing on respect for young people's rights and active youth engagement. Among its eight thematic priorities for action, digital skills for young people, quality apprenticeships, youths in the rural economy, and youth entrepreneurship are notable.

Georgia signed an Association Agreement (including the creation of a deep and comprehensive free trade area, AA/DCFTA) with the EU in 2014. Besides establishing a new legal framework to improve relations (political association and economic integration with the EU), the agreement envisages cooperation between the EU and Georgia in the fields of employment, social policy and equal opportunities (chapter 14, articles 348–354, Annex XXX) and education, training and youths (chapter 16, articles 358–361, Annex XXXII). In particular, it foresees cooperation and exchanges in the field of youth policy and non-formal education for young people and youth workers, as well as youth mobility, lifelong learning, quality education and VET.

All these developments summarised above coincide with increased attention on youth transition from education to work in Georgia. This is due to increasing difficulties experienced by young people to find their way, not only into the labour market but also their way in life in general and into adulthood. As shown in this report, Georgia has launched a number of youth employment measures to ease the transition from school to work and tackle youth inactivity and unemployment. Georgia also actively participated in the activities of skills anticipation and matching platform, organised under Platform II of the EaP Work Programme 2014–2017. The Make it Match Network of the EaP countries and the related thematic and peer-learning activities were facilitated and coordinated by the European Training Foundation (ETF) for Platform II.

Within this context, in 2017, ETF initiated mapping of the youth employment situation and policies in the six EaP countries. The aim is to support the countries' institutions and stakeholders in the development of effective policies and structures to facilitate youth transition to work and foster youth employability. This report is part of the ETF's regional initiative mentioned above to map the youth school-to-work transition and review the youth policy framework and measures in Georgia. It was drafted by Ana Diakonidze with funding and coordination from the ETF. Ummuhan Bardak, from the ETF, provided continuous feedback and revisions during the drafting process, and made the final editing of the report.

After giving a picture of youth situation in the country, the report pays particular attention to describing the key policies and programmes that address the challenges of youth employability and the bottlenecks associated with the implementation of these measures in Georgia. The analysis was undertaken from March 2017 to February 2018, and included analysis of secondary statistical data, reviews of existing studies and policy documents, and key informant interviews.

The report includes four chapters and an annex with a list of existing measures supporting youth transitions in Georgia. The first chapter gives an overview of the youth situation in terms of demography and educational profile, youth participation in the labour market, as well as the main characteristics of youth transition from school to work. The second chapter covers the youth policy framework in Georgia, reviewing laws and regulations as well as institutions (including governmental

[8] Transversal skills are those typically considered as not specifically related to a particular job, task, academic discipline or area of knowledge but as skills that can be used in a wide variety of situations and work settings. They are often referred to as core skills, basic skills or soft skills, the cornerstone for the personal development of a person.

[9] For more info, see www.decentjobsforyouth.org.

and non-governmental organisations) responsible for youth policies and services. The third chapter makes an inventory of existing measures supporting youth transition from school to work in Georgia under three categories, with an assessment of their implementation on the ground. The final (fourth) chapter ends with main conclusions and recommendations regarding the youth transition measures in Georgia.

The preliminary findings were discussed at the validation workshop on 27 October 2017 in Tbilisi and the report was reviewed again in light of additional comments and information sources. The final version of the document reflects the feedback received from key stakeholders.

The ETF would like to thank the institutions and individuals in Georgia for sharing information and opinions on the topic and actively participating in the above-mentioned workshop.

EXECUTIVE SUMMARY

This report specifically looks at young people and their school-to-work transition patterns in Georgia, reviews the youth-related institutions and actors, and maps existing measures/programmes supporting youth transitions. In this report, youth is defined as young people aged 15 to 29 years old, unless specified otherwise. The share of youths aged 15–29 constituted 20% of the 2016 population in Georgia (746 000), but their share has decreased over the last decade owing primarily to emigration trends and decreased fertility rates. Low wages and a lack of careers and opportunities for self-development seem to have created a strong push factor for youths to emigrate. Although those remaining in the country spend longer in formal education, this does not necessarily translate into good labour market outcomes for them.

Young people in Georgia have a relatively high educational attainment. Almost 20% of young people have finished higher education, while around 56% complete medium-level education. Most of the medium-educated young people have upper secondary general education, while the proportion of those having completed vocational education and training (VET) is small. The share of VET as a percentage of upper secondary education is around 10%. The net enrolment ratio was 94% in lower secondary education and 80% in upper secondary education, while the gross enrolment ratio was 43% in tertiary education in 2015. As in other Eastern Partnership (EaP) countries, more girls than boys attend university, resulting in a higher share of young women with higher education (4 percentage points). The educational attainment of young people is improving compared to educational attainment levels of those aged 15+, but the share of people with a VET degree is lower than the general population.

Georgia has a low share of early school leavers (around 7%), which is also visible in the low share of those who are low-educated (25%). At the same time, the results of some international student assessments that Georgia participated in show signs of low quality in the general education system. Despite the low percentage of early school leavers, the share of Georgian youths not in employment, education and training (NEET) is unusually high (30% in 2017). Young women are more likely to be NEETs than young men. The primary reason for being NEET is linked to family care, almost all assumed to be done by women, which leads to decreasing economic activity. Other reasons include, but are not limited to, unemployment, discouragement, disability or illness. The education levels are less of a determiner for being NEET, although those with secondary VET and upper secondary education have the highest probability of being NEET in Georgia.

Recently, the Georgian economy has performed relatively well, as seen in the gross domestic product (GDP) growth rates. The main contributors to growth were trade, industry and some services (with hospitality and financial services leading the list). The agricultural sector stands out as the lowest productivity sector, with low GDP contribution but as high as 49% employment share. Roughly speaking, half of the total employment is in the agricultural sector, 40% in services and 10% in manufacturing. The majority of jobs created in the country are in the traditional, low-productivity sectors, which limits the demand for higher-educated workers. Another peculiarity is the high share of self-employment in subsistence agriculture in rural areas (57% of total employment in 2016). All labour market indicators show improvements in the last decade (higher activity and employment, lower unemployment). In 2016, the total activity rate exceeded 67% and the employment rate reached 60%, although a gender gap is visible. The total unemployment rate decreased to 11.8% in 2016, but it is higher in the cities.

The youth labour market also shows similar trends, but with a higher share of unemployment. In 2016, almost 51% of young people in Georgia were economically active, though young women were less active than men. Activity rates of both males and females increases with the level of education;

however, the rate of increase is much more pronounced among men compared with women. Almost all low-educated women are inactive; having a mid-level general education has a small impact on increasing the activity rate of women. The youth employment rate was almost 38% in 2016, but on average young men had 20% higher employment rates compared to women. Employment rates also tend to increase by level of education, with higher education having the strongest positive impact on youth employment.

In general, young girls are in a much more difficult position compared to young men in Georgia. As the data shows, a shift from VET to higher education has a far more positive impact on young women's employment rate, compared with young men. Young women with medium-level VET are less likely to be employed compared to higher-educated women. This is not the case for young men. This is linked to women's choice of education fields, as they tend to select areas with fewer opportunities in the labour market. Young people are less represented in the more 'traditional' and 'blue-collar' jobs, such as skilled agricultural workers and drivers, while their share is larger in more 'modern' jobs, for example business and administration professionals, and legal, social and cultural associates. Interestingly, young people have a higher share among 'personal service workers' and as 'food preparation assistants' compared to the general population, meaning that they are occupying positions at the top as well as at the bottom of the service sector. Compared to adults, young people work longer hours and in less formal jobs, and the working conditions seem to be tough in the private sector.

Similar to the general trend, the youth unemployment rate has been decreasing over recent years (almost 26% in 2016). It is higher among young men compared to women. Prior to 2016, youth unemployment was lowest among the low-educated group, while the difference between those with medium and high education levels was not significant. This changed in 2016, when the low-educated group had the highest unemployment, followed by medium-educated (both general and VET) youths. It is also important to note that unemployment varies among the sub-age groups: those aged 15 to 19 face the highest unemployment rate, while those aged 25 to 29 have the lowest unemployment rate among young people.

A number of studies in Georgia indicate that skills mismatch is a major problem and young people are among the first to suffer. A STEP skills study carried out by the World Bank in 2014 indicates that the most important skills that young (under 30) workers often lack are technical competences and problem-solving skills, as well as a lack of English, leadership skills, and creative and critical thinking. Different studies also show that as many as 35% of employed young people do not work in the professions for which they were educated, while both over-qualification and under-qualification are observed among young people (around 30% each), which are obvious signs of skills mismatch.

The average length of the school-to-work transition is one to two years in Georgia. The main determinants of the transition are geographical location, gender and education level, as good, modern jobs are available in the cities and young people flock to large cities to find jobs. Gender is another important factor which negatively affects young women's transition, but this may also be due to different approaches; for example, for young men, a job is just a way to get income, while for women a job is a route to self-realisation. Young people residing in rural areas, dropouts, belonging to ethnic minority groups or having various types of disabilities are further disadvantages and these youths face far greater challenges when making the transition to the world of work. Limited availability of well-functioning career guidance and employment services and the lack of internship and traineeship opportunities make the transition even more difficult.

Given this background, concerted action by policymakers is required. The ex-Ministry of Sports and Youth Affairs (MoSYA) was in charge of youth policy in Georgia before it was merged with the Ministry of Education and Science (MoES) in December 2017. As of January 2018, the details of youth-related units and services have not yet been clarified. The major document delineating the vision for the youth

policy framework is the National Youth Policy, approved by government resolution in April 2014. According to the document, the main goal is to encourage the establishment of the relevant environment for the comprehensive development of youths, in which they will be able to fully realise their potential and be actively involved in any sphere of social life. To achieve this objective, the strategy defines the following goals for the Georgian youth: increased participation; improved education and employment opportunities; and health and support for vulnerable youths.

The objective of increased employment and professional growth opportunities directly relates to an improved school-to-work transition. The youth-related policies and services of the ex-MoSYA heavily relied on the Ministry of Labour, Health and Social Affairs (MoLHSA) and the MoES on implementing this pillar of the strategy. Other state and non-state actors also play an important role in implementing youth policy. Last but not least, donor organisations like the European Union (EU), United Nations Development Programme (UNDP), German Federal Enterprise for International Cooperation (GIZ) and the United Nations Population Fund (UNFPA) have contributed significantly to VET, labour and employment policy development in Georgia, all of which have a sizeable share of youths as their direct beneficiaries.

Against this background, the report reviews 32 identified measures and programmes implemented over the past three years at national, regional or local level, targeting young people to support their transition to work in Georgia. These measures are not an exhaustive list, ranging from regular public services to special programmes and donor-funded projects, and are very diverse in terms of size, scope and activities. Nevertheless, they constitute the basis of this analysis related to youth-related services. Taking into account their primary objective, the initiatives are grouped into three clusters: (i) skills development; (ii) career guidance and counselling; and (iii) entry and stay in the labour market (see the annex).

The first cluster focuses on reform initiatives and projects to improve the quality of education and the VET system in Georgia. Although significant efforts have been undertaken to modernise VET in Georgia, challenges still remain. Concerns have been raised about the physical and financial accessibility of VET, and improving the course content and links with the private sector. The latter is the most critical issue in the entire VET system. The MoES puts strong emphasis on developing apprenticeships and dual education; however, no system-wide effort has so far been made. At the moment, there are interesting donor-funded initiatives (e.g. projects by the UNDP and GIZ) that show rather positive results. Nonetheless, the success of these initiatives primarily relies on negotiations with companies that are not rooted in the regular economic dialogue structure, and there is no guarantee that similar schemes would be successful in other sectors.

Another area is the provision of non-formal education and soft skills that have been traditionally dominated by the non-governmental organisation (NGO) sector. In addition, the Georgian Innovation and Technology Agency has been running training events in the field of information and communication technology (ICT); furthermore, the Children and Youth National Centre organises annual summer camps for youths, where non-formal education forms the core of the curriculum. Unfortunately, none of these agencies engage in evaluation of their measures and tracking the beneficiaries, which makes it hard to assess their effectiveness. By contrast, large NGOs such as World Vision Georgia and Action Against Hunger take a somewhat different approach: they concentrate on mentoring small groups of young people and combine various services. The results of these programmes are promising; however, no links have so far been established with the Employment Support Services of the Social Service Agency (SSA/ESS).

The second cluster is career guidance services that are currently offered at several SSA/ESS offices, as well as in pilot secondary schools, VET colleges and universities. The service is rather new to Georgia and the main challenge here relates to the quality and quantity of human resources: there is a need for more and better-qualified counsellors to increase the coverage of services. Measures for

entering and staying in the labour market include a range of employment services offered by the SSA/ESS, such as training and retraining of jobseekers, internships at companies, wage subsidy programmes for people with disabilities, job intermediation and job fairs. The review found that most of these services have significant design flaws that need to be addressed before expanding the scope of services. In general, a lack of internship and apprenticeship opportunities represents a considerable obstacle for the school-to-work transition. Internships are more widespread (e.g. internships in public services) compared to apprenticeships, but an overall regulatory framework is missing for both in Georgia.

Other measures in the third cluster are support for entrepreneurship and self-employment. The Ministry of Economy and Sustainable Development (MoESD) plays a prominent role with its Produce in Georgia programme, which has invested GEL 493.3 million since the onset of the programme and created 10 075 jobs. However, due to the absence of long-term tracking and evaluation, it is unknown how many of these jobs are still active. Young people form an important share of the programme beneficiaries. Another programme is Start-up Georgia, which targets the general public and focuses on ICT and technology innovation companies. The programme is implemented by the Georgian Innovation and Technology Agency (as part of MoESD) and up to 70% of the beneficiaries are young people.

Given this background, the mapping concludes that in spite of the patchwork of initiatives, there is no coherent approach towards the youth school-to-work transition in Georgia. Due to its cross-cutting nature, youth policy is not a recognised field among policymakers and it lacks the nation-wide acknowledgement that it deserves. No institution acts as an interinstitutional coordination mechanism, and there are different state and non-state organisations providing similar services for youths, but they remain discrete and do not communicate with each other. Most of these services could be provided in a more efficient and integrated way if all institutions in the field collaborate better.

The findings of each cluster area are discussed in detail in the final chapter. Youth coverage and the scope of services could increase and there is a dire need for measures that exclusively target young people; the number of beneficiaries in the existing youth-related programmes is also very low, pointing to weak coverage and no visible impact. Finally, tracking beneficiaries after they have used the services (monitoring and evaluation) should be introduced, as it is extremely important to measure the effectiveness and efficiency of programmes and better adjust them to the needs of young people.

1. YOUTH SITUATION IN THE LABOUR MARKET

1.1 Overview of the youth situation

Young people aged 15–29 represent one fifth of Georgia's population. This share has been decreasing over the last decade, indicating that the country's population is slowly ageing. The major reasons behind this are low natural growth rates and emigration. Sadly, young people are among the first to leave the country and they make up the largest share of emigrants. This points to the fact that Georgia is not doing well in tapping the potential of its young people. Georgian youths tend to finish higher education, with an especially high share of young females with a high level of education. However, due to the lack of development opportunities, these young minds turn towards other countries in search of a better future.

The key source of information and data used in this report comes from the National Office of Statistics of Georgia (abbreviated as Geostat). Specifically, the data comes from the regular labour force surveys (LFS), the 2014 population census, and education statistics. The statistics produced by Geostat are regularly published on its website and are accessible to all (with a minimum time lag of one year). They are reliable and comparable as they use International Labour Organisation (ILO) definitions. One change worth mentioning is the format of the LFS. Until the end of 2016, an integrated household survey (IHS) was conducted including an LFS module; since January 2017, Geostat conducts a separate LFS survey with a much bigger sample and more detailed questions. The LFS methodology follows the ILO definitions and covers the reference population aged 15 and over. The definition of employment includes at least one hour of paid work in the reference week. The LFS is conducted on a quarterly basis including 5 952 households per quarter.

Besides this, a labour market information system (LMIS) web portal is available to provide updated information on economic, labour market and education trends in the country (MoLHSA, 2016a)[10]. The portal was launched in 2016 by the MoLHSA, but in July 2017 the maintenance and updating of the site was transferred from the MoLHSA to the MoESD. In addition to the web portal, the report uses information and data generated from the labour market studies and administrative records of the MoLHSA (the Department of Labour and Employment Policy, to be specific), the education management information system (EMIS) of the MoES, the MoSYA and other non-state actors.

1.1.1 Definition of youth

The National Youth Policy adopted by Resolution No 553 of 2 April 2014 by the Government of Georgia defines youth as people aged 14 to 29. However, the majority of the studies carried out by governmental and non-governmental agencies provide data and information for those aged 15 to 29. The major source of statistical information, Geostat, also uses this age category. Given this background, this report will refer to individuals aged 15 to 29 as youth(s) or young people. Whenever possible, the data will be disaggregated by further sub-groups (15–19, 20–24 and 25–29).

This report uses the aggregate age group of 15–29 for young people throughout the analysis and gives information on sub-groups when it is available. The use of age-based sub-groups will help to better understand the transition characteristics of youths, especially regarding employment and social and economic inclusion.

According to the 2016 Youth Development Index (YDI), developed by the Commonwealth Secretariat for young people aged 15–29, Georgia was ranked 104th out of 183 countries (score: 0.601). The YDI collectively measures multidimensional progress on youth development, and it is a composite index of

[10] See the LMIS web portal, www.lmis.gov.ge/Lmis/Lmis.Portal.Web/Default.aspx.

18 indicators for 5 domains: education level; health and well-being; employment and opportunity; political participation; and civic participation for young people[11]. Its best ranking out of five domains was for education, while employment was the worst ranking domain (Table 1.1) (The Commonwealth, 2016).

TABLE 1.1 GEORGIA'S RANKING (OUT OF 183) IN THE 2016 YDI

	Total	Education	Health	Employment	Civic participation	Political participation
Rank	104	89	111	127	97	107
Score	0.601	0.755	0.638	0.486	0.478	0.556

Source: The Commonwealth (2016).

1.1.2 Demographic profile and migration

The latest population census conducted in 2014 revealed that Georgia's population has been shrinking, currently standing at 3 720 400. This indicates that the country's population has decreased by more than a million compared to a decade ago (Geostat, 2016). Out of 3.7 million people in 2016, 1.1 million people live in the capital, Tbilisi. Overall 57% of the population live in urban areas (Geostat, 2016).

According to Geostat, every fifth person in Georgia falls into the youth category (aged 15–29), with almost equal distribution among the respective sub-groups (see Table 1.2). There are 746 100 young people aged 15–29 in Georgia, making up 20% of the total population. The general population has been decreasing over the years: the youth age group constituted 24% of the population a decade ago, but it has decreased to 20% today (FES, 2016). There are two primary factors explaining the decrease: low natural growth rates[12] and emigration.

TABLE 1.2 YOUTH SUB-GROUPS IN NUMBERS IN TOTAL POPULATION (LATEST YEAR: 2016)

Age cohorts	Population	% of total population
Cohort 0–14	710 200	19
Cohort 15–19	220 400	6
Cohort 20–24	246 800	7
Cohort 25–29	278 900	7
Cohort 30–64	1 729 600	46
Cohort 65+	534 500	14

Source: Geostat, 2016.

Georgia is primarily a country of emigration, with 746 000 emigrants abroad, representing 16% of its population (World Bank, 2016, data for 2013). According to the same source, 32% of emigrants are tertiary educated. The main destination countries have been Russia, Ukraine, Greece, Germany, Spain, the United States and Turkey. By contrast, the United Nations Department of Economic and Social Affairs (2018) suggested that 838 082 Georgian citizens were living abroad in 2017, just over half of these emigrants were female. The most striking point about emigration is that it is the youngest who leave Georgia the most. Emigration is highest in the 25–29 age group, followed by those aged 30–34, and then those in the 20–24 subset (Geostat, 2017). According to the ETF migration and skills survey (2013), 42% of potential migrants were in the 18–30 age group.

While feminisation of emigration from Georgia has been sizeable and a hotly discussed issue until recently, Geostat statistics show that young males slightly outnumber young females in emigration

11 For more info, see http://thecommonwealth.org/youthdevelopmentindex
12 Natural growth rate was 10 128 in 2015, while in 2016 it was only 5 798.

(44% in 2016), contrary to the statistics given by the UN DESA above. This trend also persists in older age categories (Geostat, 2017). What is clear is that women represent around half of emigrants abroad. It is widely acknowledged that a lack of job opportunities and economic hardship in general are the main push factors for Georgians deciding to move abroad. Young Georgians primarily prefer to go to Europe. The majority of the respondents in a recent Youth Employment Survey (MoLHSA, 2016b) indicated Germany as a top destination, followed by the United States, Turkey and Russia. The share of remittances in GDP constituted 10% in 2015.

1.1.3 Educational system and attainment levels

Georgia's education expenditure is low despite its priority status in the government agenda. Expenditure as a share of GDP has oscillated between 2% and 3% since the early 2000s compared to the EU average of 5%[13]. According to the 2005 Law on General Education, the education system encompasses primary education (Grades 1 to 6), basic education (Grades 7 to 9), and secondary education (Grades 10 to 12). Education in Georgia is compulsory to Grade 9, after completion of which students may choose to continue with secondary education, which typically leads to higher education, or they may choose to continue their studies at vocational institutions. Students must pass school-leaving examinations in order to complete general education.

According to Geostat, in the 2015/16 school year, there were approximately 554 000 students studying in the general education system (from Grade 1 to Grade 12) in Georgia (Table 1.3). Taking all types of VET programmes together, a total of 16 454 VET students were registered in the EMIS database, 66% of which were registered in public vocational schools. Slightly more men than women register in VET (about 5 percentage point difference). The most popular programmes remain engineering, business administration, health, inter-disciplinary branches, agriculture and art. The VET system includes all age groups with different education levels, but the majority of students are within the age range of 18 to 29 years old. There is also a visible minority of adults (aged 35 and above) enrolled in the VET system.

TABLE 1.3 GEORGIAN EDUCATION SYSTEM IN NUMBERS (2015/16 SCHOOL YEAR)

Education level/type	Number of schools		Number of teachers		Number of pupils	
	Public	Private	Public	Private	Public	Private
General education schools (from Grade 1 to 12)*	2 331	246	59 933	6 440	498 873	55 041
Total		2 577		66 373		553 914
Vocational/community colleges	23	81	1 097	886	8 335	4 276
Total		104		1 983		12 611
Higher education institutions*	21	52	4 731	3 352	90 452	42 492
Total		73		8 083		132 944

(*) A few general education schools (11) and some higher education institutions (28) provide VET programmes as well.

Source: Geostat plus 2016 EMIS data (revised) on public vocational schools.

VET in Georgia is provided by both public and private VET colleges. Compared to many other countries, the role of the private sector in VET provision is quite significant. Out of 143 educational establishments that provide VET education or training, 107 of these are private VET providers, although their student intake is lower, corresponding to 34% of total VET students (Table 1.4). The number of VET students was 3% of all general education students enrolled in 2016 (from Grade 1 to

[13] According to UNESCO, the most recent data, from 2012, showed expenditure spent on education was 1.98% of GDP. See http://uis.unesco.org/country/GE.

Grade 12). If only considering the number of upper secondary students, however, the VET enrolment share reaches 10%[14].

TABLE 1.4 EDUCATIONAL INSTITUTIONS THAT PROVIDE VET PROGRAMMES (2015/16 SCHOOL YEAR)

Education level	Number of schools		Number of teachers		Number of students	
	Public	Private	Public	Private	Public	Private
Vocational college	14	40	1 097	886	8 335	4 276
Community college	9	41				
Secondary education school	–	11	–	17	–	98
Higher education institute	15	13	919	138	2 802	943
Total	38	105	2 016	2 042	11 137	5 317
Total – all levels together		143		4 058		16 454

Source: Geostat plus 2016 EMIS data (revised) on public vocational schools.

All applicants have to pass a unified national examination if they want to enrol in free public vocational schools (through the voucher funding system). There is no examination to enter private vocational schools, but students have to pay for it. Despite its very small size, the VET system faces important challenges in terms of relevance to labour market needs and poor attractiveness. Many consider VET a second choice vis-à-vis academic pathways leading to higher education. The VET programmes are 'dead ends' and do not allow the students to continue to higher education. This is precisely linked to the nature of the VET system, which includes all age groups with different education levels, but cannot provide a diploma equivalent to upper secondary education. The state policies aim to increase VET enrolment, but the overall participation rate remains low. The new draft **VET Law** plans to fix many of the above-mentioned issues.

Only students with a secondary diploma have access to higher education and they have to pass unified national examinations to enrol in a state-accredited higher education institution. For the 2015/16 school year, the higher education system included 132 944 students, 70% of which attended public universities with more women than men registering (60%) (Geostat, 2016). Looking at the number of students by programmes at public universities shows social sciences, business and law are the most popular subjects, followed by science, humanities and arts as well as engineering, manufacturing and construction (Geostat, 2016).

High educational attainment has always been a social norm in Georgia. In 2015, the net enrolment ratio was 94% in lower secondary education and 80% in upper secondary education (UNESCO database). The gross enrolment ratio in tertiary education was 43% in 2015, and it is higher among women (48%) than men (39%) in the relevant age group (UNESCO). In terms of education performance and considering the EU 2020 target of 10%, Georgia has a low share of early school leavers (Table 1.5). In 2016, the rate was 6.7% in total, but it increased to 8.9% in 2017. Generally more boys compared to girls leave school early in Georgia, but the trend reversed in 2017. Despite these changes, the rate has been quite stable below 10% in recent years.

[14] As anyone who finished basic education can be admitted to VET institutions regardless of his/her age, comparing the share of VET students with the general education system does not seem as meaningful in Georgia as it might be in other countries.

TABLE 1.5 PERCENTAGE OF EARLY SCHOOL LEAVERS (2012–17)

	2012	2013	2014	2015	2016	2017
Total	7.6	5.8	6.9	6.3	6.7	8.9
Male	9.3	6.5	7.3	7.3	6.7	8.3
Female	6.0	5.2	6.6	5.1	6.7	9.4

Note: Early school leaver refers to a person aged 18–24 who has completed at most lower secondary education and is not involved in further education or training. It is calculated from the LFS data.

Source: ETF calculations based on Geostat data. Time period 2014–16 is recalculated according to the 2014 population census (sampling frame of 2017 population census database).

Table 1.6 shows the educational attainment levels of those aged 15 and over as opposed to educational attainment of those aged 15–29. In 2016, almost 30% of the population had completed higher education, while only around 11% are low-educated. The majority of the population is medium-educated (almost 60%), of which one third has a VET diploma and two thirds have an upper secondary (general) education diploma.

The education levels of young people seem lower in general, but this is not surprising given the fact that many in this age group are still in school. Nevertheless, almost 20% of young people have already finished higher education, while around 55% are medium-educated. What is interesting is the share of VET among the young medium-educated people: only one in six has a VET degree and the rest have upper general education. Thus, the VET share is much lower compared to the same share in the general population.

TABLE 1.6 EDUCATIONAL ATTAINMENT LEVELS OF POPULATION AGED 15+ AND YOUTHS AGED 15–29 (2016, %)

Education levels	Population aged 15+	Youth aged 15–29
Low (ISCED 0–2)	10.8	25.0
Medium (ISCED 3–4) total	59.8	55.4
Medium – general	*40.4*	*46.2*
Medium – VET	*19.4*	*9.2*
High (ISCED 5–6)	29.5	19.6

Note: The following definitions are used for the educational attainment levels: **Low:** International Standard Classification of Education (ISCED) level 0–2, including no education, primary and lower secondary education. Mostly from Grade 0 up to Grade 9 (the end of compulsory schooling). **Medium:** ISCED level 3–4, including upper secondary and post-secondary (non-tertiary) education, both general and vocational. Mostly from Grade 9 to Grade 12, plus post-secondary/non-tertiary. **High:** ISCED level 5–6, including bachelor, master's and PhD studies.

Source: ETF calculation from the 2016 LFS data from Geostat (weighted).

Table 1.7 shows the youth educational attainment by gender, for years 2013 and 2016. It is interesting to note that while young males outnumber young females in low- and medium-educated groups, there is a higher share of young women with higher education compared to young men. The comparison over the years also shows that the share of young people with low and high levels of education has been slightly decreasing, with more youths attaining medium levels of education.

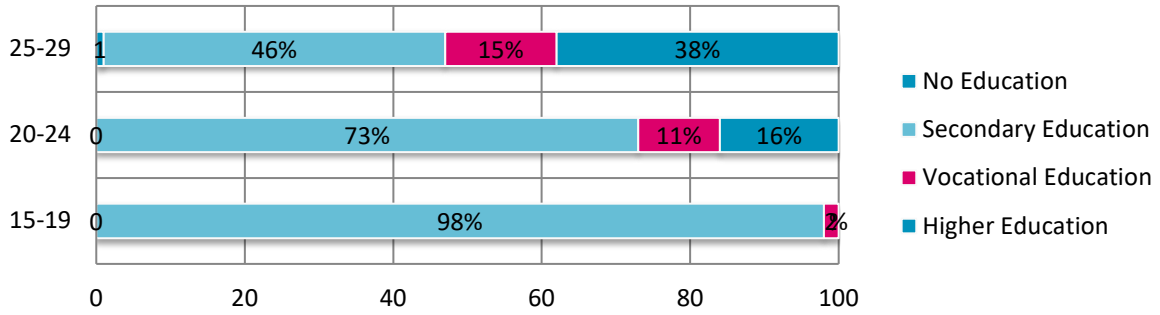
TABLE 1.7 YOUTH (15–29) EDUCATIONAL ATTAINMENT BY GENDER (2013 AND 2016) (%)

Level of education	Men		Women		Total	
	2013	2016	2013	2016	2013	2016
Low	26	25	25	24	26	25
Medium	53	57	51	54	52	55
High	21	18	24	22	22	20

Note: The education levels are classified as follows: low corresponds to ISCED level 0–2, including no education, primary and lower secondary education; medium corresponds to ISCED level 3–4, including upper secondary and post-secondary (non-tertiary) education; high corresponds to ISCED level 5–6, including higher education, graduate and postgraduate studies.
Source: Geostat, author's calculation.

As recent youth studies reveal, young people are rather critical towards the education system in Georgia and they do not consider it a high-quality product. Nevertheless, they believe that obtaining higher education is crucial for improving their life chances (FES, 2016; MoLHSA, 2016). Another important thing to note is young people's educational preferences in Georgia. As Figure 1.1 indicates, vocational education is not very popular. From the age of 15, students are eligible to enrol in a VET college; however, as can be seen, the overwhelming majority of 15- to 19-year-olds stay in general secondary education and only 2% opt for VET (ETF, 2015a). The share of young people opting for vocational education increases with age, although it remains the least commonly chosen education type (see Figure 1.1).

FIGURE 1.1 HIGHEST LEVEL OF EDUCATION ACHIEVED, BY AGE GROUP (2016)



Source: Geostat, author's calculations.

Interestingly, recent studies show that young people's attitudes towards vocational education have been changing. While they acknowledge that not everybody has to go to university and that VET is an option, they also state that employers' attitudes pose barriers as the latter look down on people with vocational education diplomas. Consequently, even those who would like to go to VET might be discouraged and seek entry into university (FES, 2016). The changing attitude towards vocational education is reflected in the VET enrolment rate. According to the MoES, the number of enrolments in vocational education has been increasing steadily over the last couple of years. For instance, in 2012 the number of students registered in vocational schools was 12 876, while in 2015 it reached 16 454.

The results of some international student assessments that Georgia participated in show signs of low quality of general education (Table 1.8). For example, Georgia was ranked 60th out of 70 participating countries in the Organisation for Economic Cooperation and Development (OECD) Programme for International Student Assessment (PISA) 2015. For 15-year-olds, the scores were as follows: 401 in reading, 404 in mathematics and 411 in science compared to OECD averages of 493, 490 and 493 respectively. Girls performed better than boys in all three fields. What is worrying is the sheer number of Georgian students who could achieve only the lowest level of efficiency (52% in reading, 51% in science, and 57% in mathematics) (OECD, 2016). Nevertheless, Georgia showed progress in these indicators compared to the PISA 2009 results.

TABLE 1.8 GEORGIAN STUDENTS' PERFORMANCE IN INTERNATIONAL TESTS (PISA, TRENDS IN INTERNATIONAL MATHEMATICS AND SCIENCE STUDY (TIMSS) AND PROGRESS IN INTERNATIONAL READING LITERACY STUDY (PIRLS))

International test	Country ranking	Country score	Average score	Highest score
PISA 15-year-olds – 2015	60th out of 70 countries in 3 subjects combined	Reading: 401 Maths: 404 Science: 411	Reading: 493 Maths: 490 Science: 493	Reading: 535 Maths: 564 Science: 556
TIMSS 4th grade – 2015	Maths: 37th out of 49 Science: 39th out of 47	Maths: 463 Science: 451	Maths: 500 Science: 500	Maths: 618 Science: 590
TIMSS 8th grade – 2015	Maths: 26th out of 39 Science: 31st out of 39	Maths: 453 Science: 443	Maths: 500 Science: 500	Maths: 621 Science: 597
PIRLS 4th grade – 2011*	Reading: 34th out of 45	Reading: 488	Reading: 500	Reading: 571

* The PIRLS 2016 results are not available yet.
Source: OECD 2016 and http://timssandpirls.bc.edu/.

Georgia's TIMSS 2015 results show improvements compared to its 2011 and 2007 results, but still scored below the average. For example, Georgia was ranked 37th out of 49 countries participating in the 4th Grade mathematics test, and 39th out of 47 countries participating in the 4th Grade science test[15]. Georgia was ranked 26th out of 39 participating countries in the 8th Grade mathematics test, and 31st out of 39 participating countries in the 8th Grade science test[16]. The results of the 2016 PIRLS are not available yet, but the results of 2011 PIRLS ranked Georgia 34th out of 45 participating countries[17].

According to the World Bank (2014a), general and higher education largely fail to develop students' cognitive and social skills in Georgia. Moreover, there is a growing demand for middle-skilled workers, which the education sector is not producing.

1.1.4 Main characteristics of vulnerable groups

Georgia ranks 71st out of 189 countries and territories in the UN Human Development Index (HDI) 2017 (HDI value: 0.780). When the human development rankings of countries is compared with their GNI (gross national income) per capita rankings, Georgia fares much better in their human development compared to their level of wealth (UNDP, 2018). Poverty, particularly among the rural population, remains significant. According to the Geostat data, 12% of the population lived below the national poverty line (i.e. those who are registered and receive social assistance). Furthermore, 20.6% of the population lived in relative poverty, defined as those people with household income below 60% of the median value, in 2016, while the Gini coefficient in 2015 was 0.39 (Geostat, 2016). Georgia ranked 90th out of the 144 countries included in the Global Gender Gap Report 2016 of the World Economic Forum. Women have significantly lower activity and employment rates than men, are underrepresented as both wage earners and as employers, and are overrepresented in the category of unpaid family workers (UNDP, 2015). The gender pay gap is high and can be partly attributed to the industrial and occupational segregation and fewer hours of employment for women.

Targeted Social Assistance (TSA) is the main mechanism for supporting extremely poor households in Georgia. This means-tested assistance system has been fully operational since 2006, but the eligibility criteria were modified in 2010 and 2015. As of February 2017, 12% of the Georgian population is

[15] See http://timssandpirls.bc.edu/timss2015/international-results/timss-2015/mathematics/student-achievement/distribution-of-mathematics-achievement/
[16] See http://timssandpirls.bc.edu/timss2015/international-results/timss-2015/science/student-achievement/distribution-of-science-achievement/
[17] See http://timssandpirls.bc.edu/pirls2011/downloads/P11_IR_FullBook.pdf

covered by TSA (445 555 people) (SSA, 2017). According to the Social Services Agency (SSA) registers, 55% of these TSA recipients are female, 32% are children, 20% are over 60 years of age and 13% are aged 18 to 30. According to the Geostat data, young people aged 15–29 lived in 22% of the households receiving TSA in 2016.

Besides poverty, which clearly denotes vulnerability, the National Youth Policy defines several groups of 'youths with special needs'. These groups include young people who 'have disabilities; do not go to school; are underage parents; live and work on the streets; are deprived of parental care; have entered and transitioned out of state care; have severe diseases; are victims of trafficking; are drug addicts (including excessive consumption of alcohol and tobacco); are in conflict with the law; are former convicts or victims of violence; are from the families of Internally Displaced People (IDP); live in the break-away regions or on the territory adjacent to these territories; live in the mountainous regions; are children of war heroes and disabled veterans.'

In addition to the official list presented above, analysis of the policy documents and interviews with the MoSYA representatives point towards other vulnerable groups such as young people who are not in employment, education or training (so-called NEETs), those with ethnic minority or IDP backgrounds, and those living with disabilities.

Despite the low share of early school leavers, Georgia has a high percentage of NEETs among its young population (Table 1.9). In 2017, 30% of youths aged 15–29 were NEETs as opposed to the 13% EU average. This means a total of around 210 000 young people. Young women (36%) are more likely to be NEETs than young men (25%). For those aged 15 to 24, the NEET rate reached 25% in 2017 (around 104 000 youths), but this number tends to decrease slowly over the years. The primary reason for being NEET is linked to family care, almost all assumed to be done by women, which leads to decreasing economic activity. Other reasons include, but are not limited to, unemployment, discouragement, disability or illness. ETF analysis of NEET groups shows that 60% of NEETs in Georgia are females who are more likely to be graduates with a medium-level general and VET education (ETF, 2015b).

TABLE 1.9 NEET RATE (%) BY AGE GROUP (2013–16)

Age group	Gender	2013	2014	2015	2016	2017	Thousand
15–24	Men	24.1	24.2	21.0	21.7	21.2	104 500 persons in 2017
	Women	35.2	31.9	32.8	30.5	28.7	
	Total	29.4	27.9	26.6	25.9	24.8	
15–29	Men	26.8	26.8	24.0	25.4	24.7	210 500 persons in 2017
	Women	41.9	40.2	40.3	39.7	35.9	
	Total	34.1	33.4	31.8	32.2	30.0	

Source: ETF calculation based on the annual LFS data from Geostat. The time period 2014–16 is recalculated according to the 2014 population census (sampling frame of 2017 population census database).

Looking at the impact of education on the likelihood of being NEET, those with secondary VET and upper secondary education have the highest probability of being NEET. After this, NEETs are also common among graduates of primary education as well as graduates of higher education. Although this seems odd, it confirms that the level of education does not always relate to NEET rates and secondary general and VET education does not save youths from being NEET. This is in line with low rates of early school leavers in Georgia. In rural areas, young people with a low level of education are not necessarily NEETs because they work in subsistence agriculture and are counted as 'employed' in the statistics.

According to the 2014 population census in Georgia, ethnic Georgians accounted for 87% of the population. The remaining 13% (489 240 individuals) of the population are ethnic minorities, with

Azeris (6%) and Armenians (4.5%) constituting the largest share[18]. If we assume that the share of young people among ethnic minorities mirrors that of the general population, we are talking about almost 100 000 youths from a minority background. Speaking fluent Georgian is a difficulty for ethnic minorities: only 19% of ethnic Azeris and 35% of ethnic Armenians speak fluent Georgian according to Geostat census data. The education law permits minorities to have primary and basic education in their own language (Armenian, Azeri and Russian). Overall, 90% of students receive general education in Georgian, 5% in Azeri, 3% in Armenian and 3% in Russian (Interview 2017, MoES). In VET, minorities can take the VET entrance test in their own language, and then they can enrol first in a Georgian language module and after that in their chosen vocational programme.

People with disabilities (PwDs) represent another vulnerable group, for which concise statistics are missing. The SSA registers only those PwDs who are recipients of disability benefit. In 2016, for instance, 125 248 PwDs were registered, which is 3% of the total population. However, civil society representatives argue that this number does not reflect the real number of PwDs, suggesting that the real number is much higher (Children and Youth Development Fund, 2015). According to the Children and Youth Development Fund (CYDF) report, the benefits are so low that it does not motivate PwDs to register and overcome the associated stigma. If we make similar assumptions about the share of youths in this group as in the previous case, the number of young PwDs would be around 25 049.

Last but not least, IDP is another recognised status under the Government's IDP Livelihood Support Strategy (2014). As of 2016, there were 268 034 IDPs registered in the MRA livelihood database (Ministry of Internally Displaced People from Occupied Territories, Refugees and Accommodation) (DRC, 2016). They receive an IDP assistance of GEL 35 per person/per month. IDP assistance is the same for all recipients, despite the fact that the IDP community is a diverse group.

1.2 Youth labour market situation

1.2.1 Overall macroeconomic situation

Georgia is a lower middle-income country with a growing per capita GDP (USD 9 379 in 2015, purchasing power parity in current rate). Since the exceptionally high GDP growth of 7.2% in 2011, the last five years show a rather slow GDP growth, with only 2.9% in 2015 and 2.8% in 2016 (Table 1.10). In 2017 real GDP growth picked up again to 5%. The main contributors to GDP in 2016 were trade (17%) and industry (16.4%). If we look at the fastest-growing sectors since 2010, the majority of them are in the services sector with hospitality and financial services leading the way. Construction, mining and quarrying, real estate and renting activities also had an upward growth trend (Geostat, 2016a; World Bank, 2018).

TABLE 1.10 GDP GROWTH RATE (2011–18) (%)

2011	2012	2013	2014	2015	2016	2017*	2018*
7.2	6.4	3.4	4.6	2.9	2.8	5.0	4.7

Source: Geostat 2016a for 2011–16. (*) World Bank 2018, for 2017 and 2018 which is an estimation.

Despite the economic growth during the past decade, the Georgian labour market features several structural problems: (i) limited (high-skilled) job creation; (ii) high share of self-employment in subsistence agriculture in rural areas (57.3% in 2016); and (iii) a high level of urban unemployment (21% as opposed to 5% in rural areas in 2016), especially for young people. The average monthly salaries amounted to GEL 900 in 2015 after some increases in recent years (MoESD, 2017).

Table 1.11 shows the GDP and employment shares of the economic sectors in 2016. The sectors which contributed most to GDP were trade (17%), industry (16.4%), transport and communication

[18] See Geostat for this, http://census.ge/en/results/census1/demo

(10%), agriculture (9%) and construction (8.5%). The employment shares of the same sectors were 49% in agriculture, 15% in public administration (including education and health), 9% in trade, 7% in industry and 5% in transport and communication. The agricultural sector stands out as the lowest productivity sector, with only 9% GDP contribution and as high as 49% employment share. Roughly speaking, half of the total employment is in the agricultural sector, 40% in services and 10% in manufacturing (MoESD, 2017).

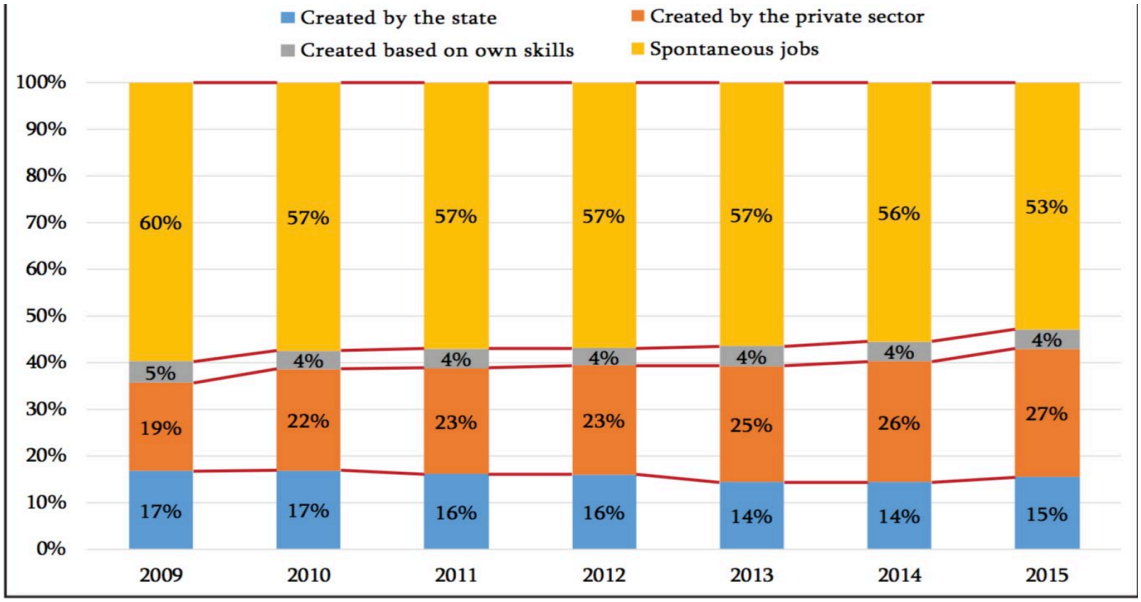
TABLE 1.11 GDP AND EMPLOYMENT STRUCTURES IN GEORGIA (2016)

Economic sectors	GDP share (%)	Employment share (%)
Trade and repair of motor vehicles	17.0	9.4
Industry (manufacturing, mining, utilities, etc.)	16.4	7.0
Transport and communication	9.9	5.0
Public administration	9.1	5.8
Agriculture, forestry and fishing	9.0	49.3
Construction	8.5	4.2
Real estate, renting and business activities	6.7	5.0
Health and social work	6.1	3.1
Education	4.9	7.8
Other sectors	12.4	3.4

Source: Geostat, 2016a and 2016b; MoESD, 2017.

The majority of jobs created in the country are in the traditional, low-productivity sectors, which limits the demand for workers with a high level of education. According to analysis done with the LFS data (2009–15) by the Georgian Foundation for Strategic and International Studies (GFSIS, 2016), 53% of the jobs were created spontaneously in 2015, including self-employment in agriculture, small traders and taxi drivers, all of which do not require a formal qualification or high level of education (Figure 1.2). In addition, 27% were generated by the private sector and 4% were created based on workers' own skills, including non-agricultural self-employed. This picture points to a traditional economy (large share of self-employed in agriculture) that is not producing high-quality jobs.

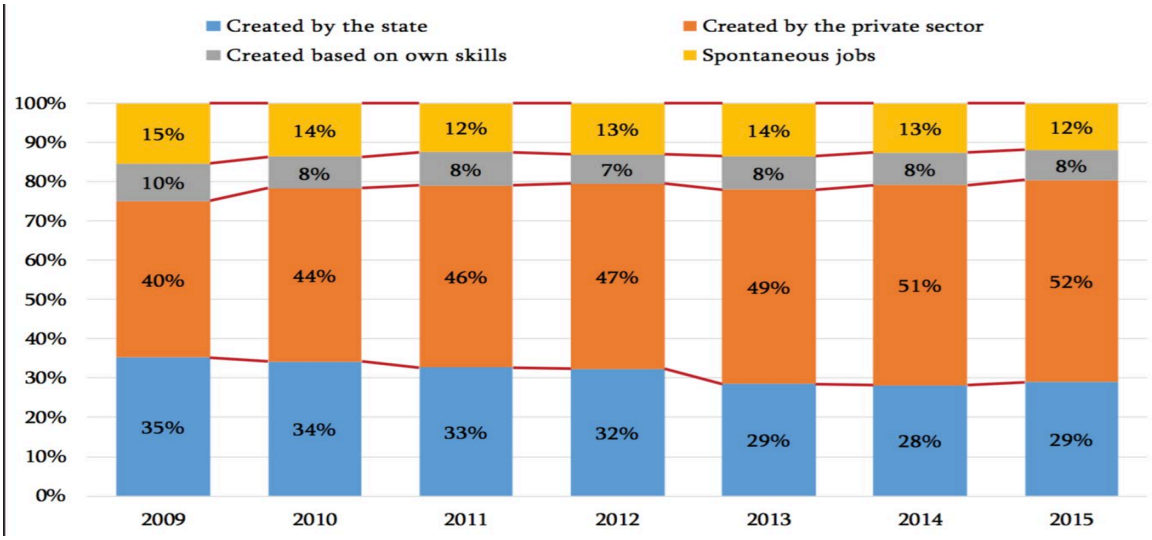
FIGURE 1.2 DISTRIBUTION OF WORKPLACES BY JOB SOURCE



Source: GFSIS, 2016 (calculated from the Geostat LFS database, 2009–15).

On the positive side, if we remove agricultural workers from the picture, jobs are mostly created in the private sector, which increased steadily from 2009 to 2016. In 2016 only 15% of all employees (262 200) were in the public sector, a sector which has been decreasing over time (Figure 1.3). As a peculiarity, Georgia has a higher share of self-employed people than salaried employees. The share of self-employed in the total employment has been slowly decreasing, from 62% in 2010 to 57.3% in 2016, but still accounts for more than half of the total employment in the country (MoESD, 2017). Most self-employed people are those working in subsistence agriculture in rural areas.

FIGURE 1.3 DISTRIBUTION OF JOBS BY SOURCE EXCLUDING AGRICULTURAL SELF-EMPLOYMENT



Source: GFSIS, 2016 (calculated from the Geostat LFS database, 2009–15).

While the private sector growth is a positive sign, more careful examination is required regarding the types of jobs created and skills required for these jobs. A GFSIS study based on the analysis of the LFS data for 2009–2015 shows that most of the jobs created in Georgia do not require higher education diplomas. Interestingly, the unemployment rate of individuals in International Standard Classification of Occupations (ISCO) groups 4–9 (e.g. clerical and support workers, craft and related trade workers, plant and machine assemblers and elementary workers) is 45.7% lower than the national average, while the rate for ISCO group 2 (professionals) is 20.8% higher than the national average (GFSIS, 2016).

The Labour Demand Survey commissioned by the MoLHSA in 2015 confirms this trend. For instance, it found that the following positions have the highest share of labour shortages: waitresses, janitors, cooks, medical professionals, journalists and people employed in elementary occupations. It is important to note, however, that the labour shortage for elementary positions is mostly due to the fact that potential employees do not find the salaries attractive for these roles (MoLHSA, 2015). Those employed as ‘managers’ and ‘professionals’ (ISCO groups 1 and 2) are primarily individuals with higher levels of education (MoLHSA, 2015).

In order to better understand the labour demand, we now turn to analysis of employment by occupational groups. The overall distribution of the labour force in various occupations basically replicates the general economic structure of the country. Just under half (48.2%) of the workforce is made up of ‘market-oriented skilled agricultural workers’ (Table 1.12). However, if we look beyond this group, the second largest group is that of ‘personal service workers’ (e.g. personal care, housekeeping and restaurant services) and ‘business and administration professionals’, supporting the evidence presented above that the private sector is growing, although slowly.

TABLE 1.12 TOTAL EMPLOYMENT BY ISCO ECONOMIC SECTOR (2016)

Occupational groups	Total labour force 15+ (%)	Youth labour force 15–29 (%)
Chief executives and managers	3.6	2.0
Science and engineering professionals	3.2	2.8
Health professionals	3.0	3.2
Teaching professionals	4.3	1.6
Business and administration professionals	5.0	9.2
Legal, social, cultural and related associate professionals	4.3	8.2
General and keyboard clerks	1.1	1.6
Customer services clerks	0.9	2.5
Personal service workers	9.9	15.4
Market-oriented skilled agricultural workers	48.2	36.4
Building and related trades workers	2.6	2.3
Metal, machinery and related trades workers	1.0	1.1
Electrical and electronics trades workers	1.2	1.6
Food processing, woodworking, garment and other craft and related trades workers	0.8	1.0
Stationary plant and machine operators	0.6	0.8
Drivers and mobile plant operators	4.0	2.3
Cleaners and helpers	0.4	0.0
Agricultural, forestry and fishery labourers	0.7	0.8
Labourers in mining, construction, manufacturing and transport	0.3	0.6
Food preparation assistants	4.7	6.5

Source: Geostat, author's calculation, 2016.

If we look into the youth age group (15–29), the first three largest groups are identical to that of the general population. However, it is clearly visible that young people are less represented in the more 'traditional' and 'blue-collar' jobs like skilled agricultural workers and drivers. By contrast, their share is larger in more 'modern' jobs like business and administration professionals, and legal, social and cultural associates. Interestingly, young people have a higher share among the personal service workers and food preparation assistants compared to the general population, meaning that they are occupying positions at the top as well as at the bottom of the service sector.

1.2.2 Key labour market indicators

According to the Geostat 2016 data, 1.7 million people were employed out of almost 2 million people in the labour force in Georgia, while the total number of unemployed people was 235 000 people (Table 1.13). All jobseekers have to register with the SSA/ESS and its web portal: www.worknet.gov.ge. Despite the slow economic growth, key labour market indicators show a rather positive trend. Overall activity and employment rates kept increasing during the period 2010–16, while unemployment rates have been going down. Table 1.13 shows that there is a clear gender misbalance. In 2016, for example, 58% of working-age women were economically active compared to 78% of men.

TABLE 1.13 LABOUR MARKET (TOTAL FOR AGE GROUP 15+)

	2010			2013			2016		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Labour force (thousands)	907.9	1 037.1	1 944.9	925.4	1 078.5	2 003.9	914.5	1 083.8	1 998.3
Activity rate (%)	55.5	74.5	64.2	56.8	77.3	66.2	58.0	78.2	67.5
Employment rate (%)	47.5	61.2	53.8	49.8	64.5	56.6	52.9	67.1	59.5
Unemploy-ment rate (%)	14.5	17.9	16.3	12.3	16.5	14.6	8.8	14.2	11.8

Source: Geostat.

The employment rates follow a similar increasing trend, reaching almost 60% in 2016. More men (67%) than women (53%) are employed. In general, more women work in agriculture than men, while more men work in industry, transport and communication, and public administration. Women are underrepresented as both wage earners and as employers, and overrepresented in the category of unpaid family workers. Around 50% of employed women are mostly concentrated in the informal sector, namely low-paid, unpaid, seasonal and part-time work in areas of health care, education, and subsistence agriculture (UNDP, 2015). The unemployment rate is low (11.8%), and is lower for women (8.8%) compared to men (14.2%). This can be explained by a higher share of women in agriculture (where unemployment does not apply), their high dropout rates from the labour market (when there is no job) and a high share of female professionals with a high level of education.

Zooming into the younger section of the population, the pattern for the main labour market indicators predominantly remains the same. Young women in Georgia in general are less active than young men. Activity rates of both males and females increases with the level of education; however, this increase rate is much more pronounced among men compared to women (Table 1.14). The impact of medium general education on increasing the activity rate of women remains small, while this has a bigger impact on the activity rate of young men. As expected, medium VET education increases activity rates for both genders, but higher education has the biggest impact for both men and women.

TABLE 1.14 YOUTH ACTIVITY RATE BY EDUCATION LEVEL (AGE GROUP 15–29) (%)

Education level	2010			2013			2016		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Low	22.7	27.5	25.1	11.3	26.3	20.0	3.5	20.1	12.7
Medium – general education	22.7	53.7	39.2	21.7	55.5	39.6	22.5	58.2	42.3
Medium – VET	57.1	88.4	66.9	59.4	94.4	73.2	51.0	96.4	69.3
High	67.6	93.2	79.2	69.9	93.4	81.0	67.0	90.3	77.9
Total	37.0	61.7	49.2	37.3	65.3	51.4	34.9	65.4	50.9

Note: The education levels are classified as follows: low corresponds to ISCED level 0–2, including no education, primary and lower secondary education; medium (general) corresponds to ISCED level 3, upper secondary education (code 34); medium (VET) corresponds to ISCED 2, lower secondary vocational education (code 24), ISCED 3, upper secondary vocational education (code 34), and ISCED 4, post-secondary non-tertiary vocational education (code 45); high corresponds to ISCED level 5–6, including higher education, graduate and postgraduate studies.

Source: Geostat, author's calculations.

Young men have much higher employment rates than young women (see Table 1.15). However, it is interesting to note that the disparity in employment rates is much more pronounced among young people: across the three years of comparison, young men have on average 20% higher employment rates compared to women, while this difference is on average 15% among the total population.

Employment rates also tend to increase with level of education, with high levels of education having the strongest positive impact on youth employment.

However, there is an interesting trend regarding VET education. If you look at the figures highlighted in bold (Table 1.15), it becomes obvious that jumping from medium VET education to higher education significantly increases employment rates for young females, while the effect is smaller for young men. Even more so, the data for 2016 shows that the employment rate of highly educated young males is lower (65.9%) compared to that of medium VET-educated males (68.6%). In other words, it seems that boys make the most out of vocational education, while girls do the same only with higher education. Women with medium levels of VET education are less likely to be employed compared to women who have completed higher education. This may be linked to women's choice of education field, as they tend to select those with fewer opportunities in the labour market.

TABLE 1.15 YOUTH EMPLOYMENT RATE BY EDUCATION LEVEL (AGE GROUP 15–29) (%)

Education level	2010			2013			2016		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Low	20.8	24.8	22.9	8.3	20.4	15.4	3.5	13.5	9.0
Medium – general education	15.3	37.2	26.9	15.4	38.3	27.5	17.3	41.8	30.9
Medium – VET	31.9	57.3	39.8	35.8	63.5	46.7	38.5	68.6	50.6
High	43.8	65.2	53.5	50.3	65.7	57.7	55.0	65.9	60.1
Total	24.0	42.9	33.3	25.8	45.3	35.7	27.5	47.1	37.8

Note: The education levels are classified as follows: low corresponds to ISCED level 0–2, including no education, primary and lower secondary education; medium (general) corresponds to ISCED level 3, upper secondary education (code 34); medium (VET) corresponds to ISCED 2, lower secondary vocational education (code 24), ISCED 3, upper secondary vocational education (code 34), and ISCED 4, post-secondary non-tertiary vocational education (code 45); high corresponds to ISCED level 5–6, including higher education, graduate and postgraduate studies.

Source: Geostat, author's calculations.

Similar to the general trend, the youth unemployment rate has been decreasing over recent years, standing at 25.8% in 2016 (Table 1.16). The rate is higher among young men (28%) compared to women (21.2%). However, the situation was in reverse in 2010, while in 2013 the unemployment rates for both genders were equal. This could suggest both improving performance of active women and increasing dropouts from the labour market for unsuccessful ones. Youth unemployment by education level shows that unemployment rates have been lowest among those with a low education level, while the difference between the medium and high levels is not significant. This might be explained by the lower economic activity and higher agricultural self-employment rates of those with low education levels. In general, it is the VET graduates who face the highest unemployment levels compared to graduates of medium general education and higher education.

TABLE 1.16 YOUTH UNEMPLOYMENT RATE BY EDUCATION LEVELS (AGE GROUP 15–29) (%)

Education level	2010			2013			2016		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
Low	8.3	9.7	9.1	26.3	22.3	23.2	0.2	32.7	28.8
Medium – general education	32.7	30.8	31.3	29.3	31.1	30.6	23.3	28.1	27.0
Medium – VET	44.1	35.2	40.4	39.7	32.7	36.2	24.6	28.9	27.0
High	35.2	30.0	32.5	28.0	29.6	28.9	17.9	27.0	22.9
Total	35.3	30.5	32.3	30.7	30.7	30.7	21.2	28.0	25.8

Note: The education levels are classified as follows: low corresponds to ISCED level 0–2, including no education, primary and lower secondary education; medium (general) corresponds to ISCED level 3, upper secondary education (code 34); medium (VET) corresponds to ISCED 2, lower secondary vocational education (code 24), ISCED 3, upper secondary vocational education (code 34), and ISCED 4, post-secondary non-tertiary vocational education (code 45); high corresponds to ISCED level 5–6, including higher education, graduate and postgraduate studies.

Source: Geostat, author's calculations.

In 2016, however, these trends slightly reversed: 28.8% of low-educated young people were unemployed, compared to 27% with medium-level education (both general and VET education). Graduates of higher education have the lowest unemployment rates (22.9%). It is also important to note that unemployment varies among the sub-age groups of the young people. In 2016, for example, those aged 15 to 19 faced the highest unemployment rate (31.9%), those aged 20 to 24 had a 30% unemployment rate, while those aged 25 to 29 had the lowest unemployment rate (21.6%) among youths (Geostat, 2016; MoESD, 2017). Thus, a gradual improvement of labour market performance can be observed among young people as they get older.

The findings reconfirm the analysis presented earlier that most of the jobs do not require higher qualifications in Georgia. Obviously, a highly educated workforce is much sought after by employers. But a high unemployment rate among the highly educated also indicates that employers hire them because there is an abundance of highly educated people who compete with less-educated workers even for the low-skilled jobs. In other words, when given the opportunity to choose, employers will go for the highly educated individuals compared to others, even when the job does not require such a degree of education. Similar findings were earlier presented by the World Bank analysis of 2012 Georgian household data. The data presented in this report suggests that the situation has not changed much since. This topic will be addressed in more detail in the following section.

TABLE 1.17 SHARE OF UNEMPLOYED PEOPLE BY AGE GROUP OUT OF TOTAL UNEMPLOYED (%)

Age group	2010			2013			2016		
	Women	Men	Total	Women	Men	Total	Women	Men	Total
15–19	4.0	4.0	4.0	5.5	6.4	6.0	3.4	5.8	5.0
20–24	20.2	19.2	19.6	16.6	20.2	18.8	14.4	16.1	15.5
25–29	15.5	16.3	16.0	16.7	17.7	17.3	10.6	18.5	15.8
30+	60.2	60.5	60.4	61.2	55.7	57.9	71.6	59.6	63.7

Source: Geostat, author's calculations.

As a conclusion to this section, Table 1.17 presents the share of unemployed by all age groups in the total number of unemployed individuals. Overall, 39% of all unemployed people are in the age group of 15–29, while 61% of unemployed people are 30 years and older. The modest share of youths aged 15–19 among the unemployed can be explained by the fact they are still in education and a large majority of them might not be economically active. There is a convergence trend of the unemployment rates among the age groups of 20–24 and 25–29 across the years 2010–16.

1.2.3 Skills mismatch

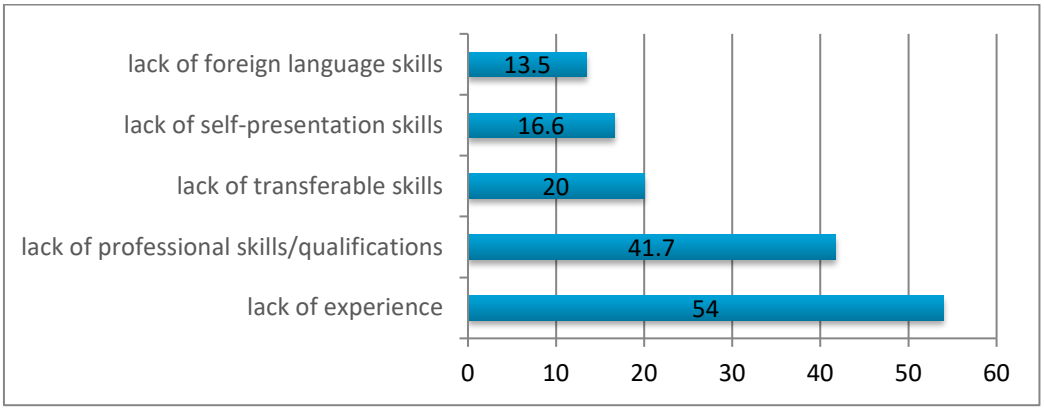
The overall demand for labour remains very low due to a limited number of vacancies and job openings in Georgia. According to the Labour Demand Survey (MoLHSA, 2015), companies identified skills shortages, the lack of applicants, and higher salary expectations as the biggest obstacles for hiring. In one year, 18% of firms hired new workers while 13% fired; the net increase in total employment was 1%. Among the growing occupations were doctors, nurses, teachers, sales workers and customer service clerks, while construction workers, personal service workers, and metal and machinery workers declined. The qualitative component of the survey revealed a number of positions such as marketing manager, sales manager, food technologist, project manager, financial specialist and risks analyst as 'hard-to-fill' vacancies (MoLHSA, 2015).

Despite the relatively high educational attainment of young people in Georgia, this often does not correspond to the level and type of education required by employers. A STEP skills study carried out by the World Bank in 2014 indicates that the most important skills that young (under 30) workers often lack are technical competences and problem-solving skills, as well as a lack of English and leadership, creative- and critical-thinking skills. This refers to both university and high school graduates. For example, close to 70% of employers say that university graduates often do not know English, over 50% say they lack leadership skills, and 40% say they lack creativity and critical-thinking skills. Occupation-specific technical skills are also quite often deemed a problem. University graduates have insufficient technical skills according to almost 30% of employers, and high school graduates have insufficient technical skills according to close to 40% of employers (World Bank, 2014b).

The survey also finds that in terms of personal traits, young workers mostly lack openness to experiences, which is alarming since it is the young people who should by definition be open to new experiences. Thus, despite relatively high formal education levels, a skills gap is rather pronounced and poses a serious challenge for the Georgian labour market (World Bank, 2014b).

Other more recent studies confirm that the skills mismatch is a huge issue in the Georgian labour market. Studies surveying young people provide almost the mirror image of the findings presented above. For instance, a Youth Employment Survey[19] commissioned by the MoLHSA in 2016 asked respondents to evaluate the reasons why they could not get employed. The two most cited reasons included the lack of necessary experience and professional skills/qualifications (see Figure 1.4).

FIGURE 1.4 WHY DO YOU THINK YOU COULD NOT FIND A JOB?



Source: MoLHSA, 2016b, Youth Employment Survey.

[19] The survey sample was 400 youth across Georgia aged 15–29. The survey used stratified random sampling in seven cities in Georgia. On top of this, quota sampling was applied in each city to ensure they had representatives from employed graduates, unemployed graduates and students. Thus, the study was representative on a city level, but not nationally. Only 26% of the respondents were employed during the survey, which represents 106 individuals.

By contrast, 35% of the youths surveyed by the Friedrich Ebert Foundation (FES, 2016) say they do not work in the profession for which they were educated – an obvious sign of a skills mismatch. While there are no tracer studies available for higher education institution graduates, the data from the VET graduate tracer studies provides an interesting piece to the puzzle. For instance, 51.6% of the 2016 VET graduates said they did not work in the vocation they were trained for and another 11% said they partially used the skills acquired at VET College (MoES, 2016). This trend was similar among self-employed graduates: 47% of the self-employed were not working in a professional field in which they trained. On top of this, 22.7% consider that the qualification they obtained at the VET College is in no way related to the work they do (MoES, 2016). These pieces of information jointly confirm that the skills mismatch is significant for the Georgian labour market.

According to ETF calculations in a recent project, both over-qualification and under-qualification are observed in Georgia[20]. This means that people are in jobs that do not necessarily correspond to their education levels. The analysis shows that the highest incidence of over-education (30%) in Georgia is observed among semi-skilled professions (e.g. clerks, service and sales workers, operators and technicians). This is because a large proportion of workers with tertiary education work in occupations that do not require a tertiary degree and take less-skilled jobs. Highly educated workers are compelled to take less-skilled jobs as there are not enough jobs in Georgia that require high levels of skills. Under-education also takes place among the above-mentioned occupations for many semi-skilled jobs, probably due to limited supply of VET education.

1.3 Characteristics of youth transition to work

Youth transition to work is challenging despite the higher educational attainment levels of the youngest generations. Lack of work experience and mismatch between the required and offered skills in the labour market put young people in a particularly vulnerable position. In the absence of strongly developed institutional mechanisms (e.g. employment offices and career guidance services) supporting the school-to-work transition, young Georgians heavily rely on social connections and word-of-mouth strategies to look for work. They are also increasingly using online job platforms to search for jobs. The transitions take on average one to two years; however, the jobs that youths acquire can often be precarious.

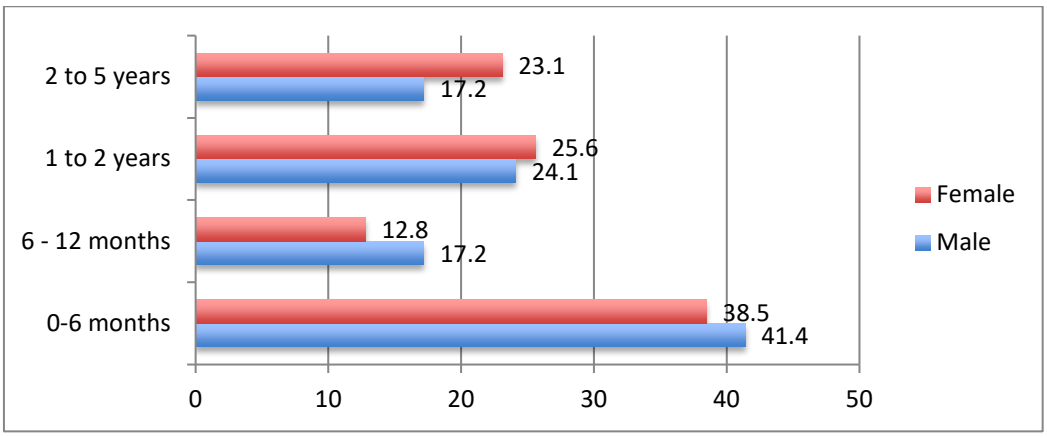
1.3.1 Length of transition

According to the Youth Employment Study by the MoLHSA (2016b), about 40% of young people stated that they found their first job after 6 months of graduation (see Figure 1.5). This is the shortest period of time reported in the survey. However, the data also indicates that transition periods are longer for another 40%, ranging from one to five years. Thus, we could make a rough assumption that on average the transition period lasts from one to two years.

Figure 1.5 shows that transition patterns are different for young males and females. While the six-month period was the leading answer in both groups, it is obvious that on average girls need a longer period of time to find their first job. It is also interesting to note that 31% of the survey respondents declared that the longest period of unemployment since graduation is less than two years, while for another 18% it was from two to five years.

[20] This project aims to measure skills mismatches in Egypt, Georgia, Morocco and Serbia.

FIGURE 1.5 PERIOD FROM GRADUATION UNTIL FINDING FIRST JOB, BY GENDER



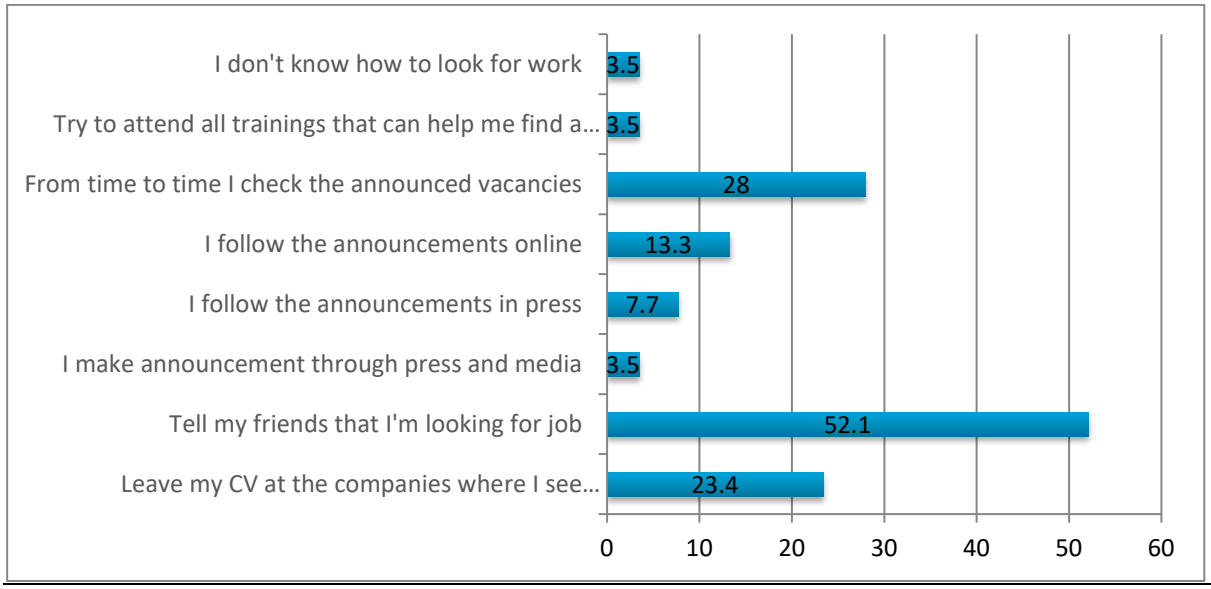
Note: Counting only the employed respondents.
Source: MoLHSA, 2016b, Youth Employment Survey.

1.3.2 Methods to search for and find the first job

Regular and ad hoc studies in Georgia confirm that job searches among young people in Georgia (just like the general public) happen through non-institutional and informal ways, meaning that they predominantly try to find jobs through personal connections, friends and relatives. This could easily be explained by the long-time absence of labour market institutions (e.g. a public employment service (PES)) in Georgia, while awareness about recently established employment services is still low.

For instance, the Youth Employment Survey (MoLHSA, 2016b) found that 52% of young people who were looking for a job did this by constantly informing friends and relatives about their efforts and asking for support. The other most frequent responses include: 'I check the vacancies from time to time' and 'I leave my CV at companies where I see the potential' (see Figure 1.6). According to the same study, 66% of those who have jobs mention that they got them without going through the official selection process (11% did this through internships, and 23% through official competition). Out of these 66%, more than half (53.4%) noted that their friend/relative recommended them, while the other half used their personal contacts (MoLHSA, 2016b).

FIGURE 1.6 HOW DO YOU LOOK FOR A JOB? (REPLIES IN %)



Source: MoLHSA, 2016b, Youth Employment Survey, adapted by the author.

Other ways of looking for jobs primarily include using online job platforms like www.jobs.ge, www.hr.gov.ge and www.hr.ge, some of the most popular job-search web portals in Georgia. It is

important to note that the Youth Employment Survey identified a difference between the job-search strategies of secondary school leavers and students/graduates. There is a large information gap between the two groups: the secondary school graduates are less likely to have information about the online job-search portals mentioned above. Consequently, they mostly refer to the public announcements as their only source of information. Presumably, lack of information also makes them more passive in job searches (MoLHSA, 2016b).

Unemployed students and graduates emphasise the importance of social networks as a source of information sharing for internship and/or job opportunities. In general, they attach high importance to their social capital and connections. Careers centres at the educational institutions appear to play a marginal role (MoLHSA, 2016b). Only 2.8% of the respondents named the state employment portal (www.worknet.gov.ge) and another 2.8% mentioned private employment services.

Evidence about employers' strategies to fill vacancies shows similar trends. According to the Labour Demand Survey (MoLHSA, 2015), the key source of finding staff was informal connections (60%), but no less popular were online options, such as web portals and web pages. In addition, contacting similar companies/organisations and asking for recommendations was a very popular method, as companies in the same sector had a much better understanding of the needs and demands of the different organisations working in the field. Public employment service had a very small share in finding workers (MoLHSA, 2015).

1.3.3 Working conditions

In general there is limited data on working conditions in Georgia, especially for young people. The Youth Employment Survey commissioned by the MoLHSA provides interesting insight into this topic; however, it should be noted that the data is not representative[21]. According to this study, young people in hired employment work on average 5.4 days a week for an average of 8.7 hours per day. The majority of those who reported working overtime are working in the private sector. They stated that they work on average 10 to 12 hours' overtime per week (MoLHSA, 2016b). According to the national IHS of 2015, around 47% of youths reported working more than 40 hours per week, compared to 25% of the general population (Geostat, 2016), indicating that if young people work, they work really hard.

Furthermore, 91% of the employed respondents say they received monthly remuneration. For 63%, wages were below GEL 500 (see Figure 1.6). Based on this survey, the average salary for Georgian youths would be around GEL 500–600, which is lower than the national average of GEL 900. It is important to note that the study revealed a statistically significant difference between the wages of young males and females: the former mostly earn GEL 400 or more, while the latter mostly report wages in the range of GEL 100 to GEL 300. Interestingly enough, the 'reservation wages'[22] as stated by the survey respondents are higher than their real wages for both men and women and constitute GEL 749 and GEL 530 respectively on average (MoLHSA, 2016b).

The majority of working youths have regular jobs and written contracts; however, about 20% report having no contracts with their employers. A tracer study of the VET graduates in 2015 revealed that 32% of the graduates did not have a written contract and 11% did not know whether they had a working contract or not (MoES, 2016).

In the qualitative part of the study, young people were rather outspoken about the harsh working conditions, especially in the private sector. According to them, although they have written contracts

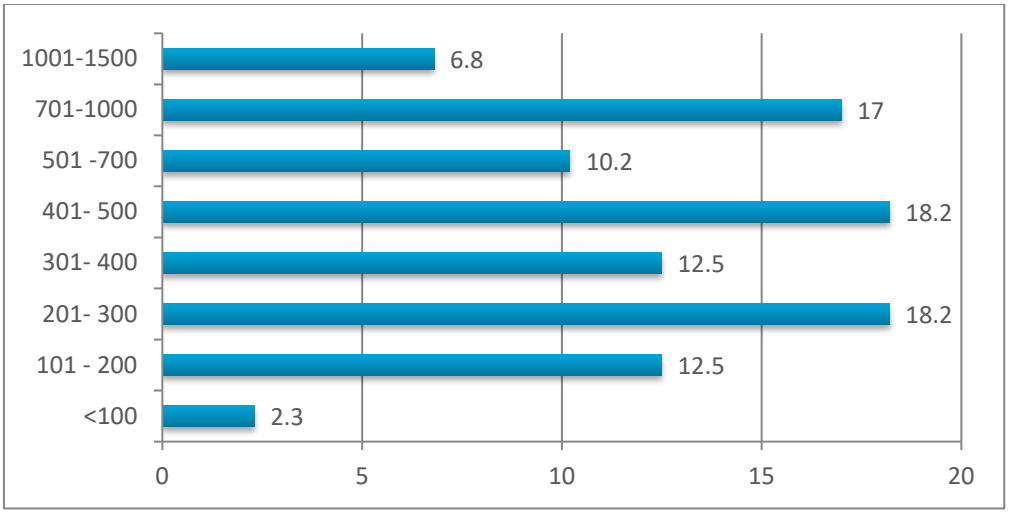
[21] As mentioned before, the survey sample was 400 youths across Georgia aged 18 to 29. Only 26% of the respondents were employed during the survey, which represents 106 individuals. This is quite a small group for generalising the results to the whole youth population.

[22] The 'reservation wage' is the lowest wage rate at which a worker would be willing to accept a particular type of job.

with the employers, 'almost nobody reads the contract and those who read it need professional consultations to understand what is written in it' (MoLHSA, 2016b). In their assessment, contracts usually give more power to the employers. For example, if the employer terminates the contract, they assume no obligations; however, if workers do, then they have to pay fines. This statement, on the one hand, indicates that young workers are not aware of their rights: according to the Georgian Labour Code, if the employer terminates the contract, they have to provide severance pay. On the other hand, it also indicates that employers largely violate this Labour Code clause.

Young people also talked about other labour rights violations: in most cases, they do not have a written job description which makes them bound to fulfil any requests from their employers, often resulting in work that is beyond the original agreement. As indicated in section 1.2, a large share of young people work as personal service workers (e.g. in restaurants and supermarkets). A recent study by the Human Rights Monitoring and Education Centre (EMC, 2016) provides a rich description of exploitation and violation of labour rights in these sectors, which resonates with the quotations of young people presented in the MoLHSA study.

FIGURE 1.7 AVERAGE SALARY OF YOUNG WORKERS (IN GEL)



Source: MoLHSA, 2016b, Youth Employment Survey.

This scant evidence suggests that while modern jobs (e.g. business and admin professionals, personal service workers) are more often undertaken by young people compared to the general population, it does not always equate to a dream job for them. On the contrary, as some respondents have noted, getting a job is a must to secure a source of income, rather than being a fulfilment of one's professional goals. While assessing the satisfaction with their jobs, those who expressed satisfaction said it was mostly due to the 'friendly staff and environment', while remuneration and social benefit packages were the lowest-ranked features. This again suggests that most of the jobs young people take (especially at the bottom of the service sector) are precarious.

1.3.4 Factors affecting youth transitions to work

In terms of individual factors affecting the youth school-to-work transition in Georgia, we have to mention geographical location, gender and education level. It is a well-known fact in Georgia that good, modern jobs are available in the cities. Consequently, many people, especially the younger groups, flock to the large cities, primarily the capital. Considering the traditional structure of the economy, this is not surprising. There is very little economic activity in the remaining regions of Georgia, except for the seaside regions where tourism and marine industry play a role. The rural areas, however, are overwhelmingly dependent on agriculture. Officially, since self-employed agricultural workers count as employed, there is a lower unemployment rate in rural areas (5%) compared to urban areas (21.1% in 2016) (Table 1.18).

TABLE 1.18 KEY LABOUR MARKET INDICATORS (15+) ACCORDING TO RURAL/URBAN DIVIDE (2016)

	Activity rate (%)	Employment rate (%)	Unemployment rate (%)
Urban	59.1	46.6	21.1
Rural	75.2	71.5	5.0

Source: Geostat, 2016.

As a result, villages are being slowly depopulated as younger generations either seek employment in the large cities or try to go abroad. According to the Friedrich Ebert Foundation study, one fifth of young people living in regional towns and villages in Georgia think that it would be good for them to move house in order to find employment (FES, 2016).

Gender is another important factor to consider while discussing the youth school-to-work transition. As already discussed in section 1.2.2, young men have better labour market indicators compared to young women: men have higher activity and employment rates (although they also have higher unemployment rates). It might be that lower unemployment rates among women in the general population compared to men is probably related to the knowledge and experience they accumulate over time.

However, if we only look at the group of young females generally, they are in a less privileged situation. It is interesting to note that in the MoLHSA's Youth Employment Study, young men mostly expressed the opinion that a job is just a way to earn money, while women most often cited that a job was a route to self-realisation. This could in a way explain higher employment rates among young men: they take whatever comes along. Some other findings from the study also point towards cultural issues hindering women from becoming more economically active; for instance, when unemployed people were asked about the reasons for their unemployment, all those who mentioned 'family conditions' were women (36% of unemployed people). Young women are also more likely to be willing to work part-time compared to men (MoLHSA, 2016b).

Last but not least, a few words must be said about the role of education in the transition process. As section 1.2.2 shows, employment and activity rates increase for both young men and women as their education levels increase. It is important to note that those with medium VET education have on average higher employment and activity rates compared to those with only medium general education, particularly among young women. While there is no accurate statistical information, one can assume based on the anecdotal evidence that foreign diplomas and diplomas from prestigious private universities in Georgia give people a particular edge. Despite the fact that most jobs in Georgia actually do not require high qualifications, employer surveys show that employers still prefer individuals with a higher education degree. This is confirmed by the 2015 Labour Demand Survey by the MoLHSA. Also, just a cursory analysis of the vacancy announcements on the main job portals (e.g. www.jobs.ge; www.hr.gov.ge; and www.hr.ge) confirms this trend, where the majority of announcements require a higher education qualification.

In terms of problems of a systemic nature, the lack of internship and apprenticeship opportunities represents a considerable obstacle for the school-to-work transition in Georgia. When it comes to internships, the major problem is not their availability, but rather the lack of a regulatory framework. No legislation currently exists that defines the concept of internship and the rights and obligations of the involved parties. Internship positions are regularly announced on the online job-search platforms. The problem is that employers view internships as a regular employment situation, rather than a contract in which the intern is supposed to learn and acquire new skills. Recent youth surveys conducted in Georgia confirm that problems with internships are the most acute problem for young graduates, as well as for students who are eager to learn new things and grow professionally.

As for apprenticeships, this is a rather new concept to Georgia, and just like in the case of internships, it has no legal base. Apprenticeships are much rarer compared to internships. The concept became popular after the prime minister declared in 2016 that Georgia should adopt the model of dual education. However, in reality, dual education in the strict sense of this word does not exist in Georgia (Vashakmadze, 2017). Dual education at the moment takes place only within donor-funded projects with fewer than 100 apprentices involved (MoES, 2016). Consequently, apprenticeships do not represent a mechanism for school-to-work transition in Georgia.

1.3.5 Transition to work for vulnerable youths

The factors mentioned in the previous section have an even greater adverse effect on vulnerable youths. However, vulnerable youths also face some more specific challenges. For instance, early school dropouts are a serious issue among the ethnic minorities in Georgia, especially in the villages densely populated by Azeris. The vast majority of the dropouts are girls who are pushed by their families to leave school early and get married. For instance, in 2015, a total of 576 pupils left school to get married. Of these, 408 were between 13 and 17 years of age, while the rest had reached 18 (Public Defenders' Office, 2016). However, it is assumed that these numbers do not capture the size of the problem, since not all schools are aware of the obligation to report the reason for students leaving school prematurely.

Even if they manage to stay in schools, a lack of Georgian language skills represents a further barrier to continuing higher education and hence integration in the labour market. Without a proper command of Georgian, ethnic minorities have little if any chance of gaining a higher level of education. According to the Caucasus Research Resource Centre (2015), while 39% of ethnic Georgians go beyond secondary education, the corresponding numbers for Armenians and Azeris stand at 9% and 6% respectively. Both ethnic minority boys and girls face this problem equally, which in the end leads to them staying in their villages, maintaining the lifestyle that their families have been following for years.

As for young people with disabilities, statistics are rather scarce. Some numbers provided by the SSA might give a glimpse into how challenging the situation is for PwDs in general. During 2016 only 78 PwDs had employment consultation meetings with the SSA/ESS, out of which 19 received wage subsidies, 11 participated in a training programme and 34 were placed in a job (Social Service Agency, 2016).

Georgia has ratified a number of international conventions and treaties upholding the rights of PwDs. It is also noteworthy that the Law on Protection of Social Rights of PwDs stipulates a number of measures for protecting their employment rights; however, the reality of this leaves much to be desired. For instance, the law stipulates tax breaks for companies making products for PwDs or providing services to them; however, there is no universal norm setting out the mechanism to enact this principle (Children and Youth Development Fund, 2015). The same law stipulates that medical, professional and/or social rehabilitation should take place through an individual rehabilitation programme. The companies and enterprises have to create suitable working conditions according to these individual rehabilitation programmes; however, the existence of such programmes is often questioned (Public Defenders' Office, 2016).

As mentioned earlier, the NEET rates are quite high in Georgia: 30% of youths aged 15–29 were NEETs and 25% of youths aged 15–24 in 2017, despite the low rate of early school leavers (7.6%). High enrolment rates probably ensure a low share of early school leavers, but many young people may be dropping out from the education system later, for example after completing high school. Coupled with the difficulty of the school-to-work transition and a lack of jobs, vulnerable youths remain unemployed but are also discouraged from searching for jobs or continuing education and training. This group needs special attention to enable their 'activation' in the labour market.

2. YOUTH POLICY FRAMEWORK

2.1 Youth policy framework

Young people and their employability represent one of the key topics in the **four-point plan for 2016–2020**. This agenda represents an overarching state programme outlining the vision for Georgia's development. It focuses on the economy, education, spatial arrangement and public management. The programme emphasises that skills development actions should be better linked to the labour market needs, economic development agenda and demands of the prospective sectors that show potential for creating employment opportunities. In addition to this, the document aims to link VET and higher education with the needs of the economy to secure the employability of graduates and facilitate their school-to-work transition. Although the vision stated in the four-point government programme is undoubtedly relevant, it remains a rather general document. For the operationalisation of the objectives stated in it, one needs to turn to more specific strategies and action plans elaborated on by various state agencies.

Prior to December 2017, the MoSYA had direct responsibility for developing and implementing the youth policy framework in Georgia. But in January 2018, the MoSYA merged with the MoES. The MoSYA prepared a draft **Youth Law** in 2012; however, it has not been discussed or adopted and there are no indications that the topic will be dealt with any time soon (Interview, MoSYA). The draft law defined concepts like youth, non-formal education, youth work, youth organisation and youth worker. It also envisaged monitoring the implementation of the Youth Action Plan and regular reporting to government. According to the MoSYA, the absence of a legal base for the operation of youth organisations created misunderstandings and in some cases led to low-quality service provision by various state and non-state actors.

To tackle the situation, the MoSYA developed a **Youth Work Competence Framework**, which was based on the European Key Competences Framework (EU Council, 2006). The Georgian framework covers nine competences: (i) citizenship; (ii) environmental protection; (iii) analytical, technological, informational and science competences; (iv) entrepreneurship and initiative; (v) creativity and critical thinking; (vi) independent learning; (vii) relationship competence; (viii) cultural self-expression and cultural interrelations; and (ix) healthy lifestyle. However, in the absence of the legal base, the MoSYA had no leverage to make relevant stakeholders apply this framework.

In addition to the above-mentioned initiatives, the MoSYA prepared a **National Youth Policy for Georgia**, which was approved by Government Resolution No 553 on 2 April 2014. The document is a strategic framework for youth policies and includes action plans and implementation monitoring. The main goal of the policy is to encourage and improve the relevant environment for the comprehensive development of youths in which they will be able to fully realise their potential and be actively involved in any sphere of social life. To achieve this objective, the strategy defines the following goals:

1. opportunities for young people to be involved in social, economic, cultural and political life;
2. appropriate and high-quality education, employment and professional growth opportunities;
3. the establishment of a healthy lifestyle and access to health services;
4. raising young people's awareness of civil rights and duties, establishing a safe and secure environment for young people, protection of their rights and supporting youths with special needs.

These goals represent the four strategic directions of the policy: (i) participation; (ii) education, employment and mobility; (iii) health; and (iv) support for vulnerable young people. Obviously, direction two deals directly with the school-to-work transition problem. The respective action plan

defines a large number of activities (e.g. programmes, projects and events) that should support young people in Georgia in obtaining high-quality education, employment and professional growth opportunities.

It is critical to note that the National Youth Policy action plan does not define any independent/original activities; rather, it extracts the relevant activities from other state action plans and compiles them under one umbrella. For about 80% of the activities defined under direction two, the responsible ministries are the MoES and MoLHSA. In the remainder of this section, the strategies of these two ministries and other relevant actors are outlined, with the focus on young people.

The **Labour Code**, adopted in 2006**,** was considered to be among the most liberal in the world. It radically increased labour market flexibility and the power of employers in industrial relations. After much criticism, the Labour Code was amended in 2013 to comply with international standards. This introduced a more balanced approach to the regulation of employment relations and established more effective antidiscrimination protection for employees. However, part-time and flexible work opportunities for young people and women are not legally regulated; the absence of alternative forms of employment creates constraints for youths and women to enter the labour market easily, especially for young women with small children.

In 2014, the MoLHSA adopted for the first time a policy framework on employment and the labour market in Georgia, which was revised later to become the **State Strategy for the Formation of the Georgian Labour Market 2015–2018**. Young people are not distinguished as a target group within this policy framework. Nevertheless, some of the key directions have a direct impact on the youth school-to-work transition. **State Decree No 721 (2014) on Developing Publicly Available Lifelong Vocational Counselling and Career Planning** was co-authored by three ministries (MoLHSA, MoES and MoSYA). It elaborated on the national standards for Professional Orientation and Career Guidance (POCG), developing sub-standards for specific target groups and creating relevant tools and instruments for professionals working in this field.

The POCG Action Plan for the period 2015–17 provided a detailed roadmap for the development of a career guidance system in Georgia. The national standards on career guidance were established, and the MoLHSA developed its sub-standards for their target group ‘adult jobseekers’. Youth is a shared target group for the MoES and MoSYA, so a decision was made to create a joint standard; however, no particular actions have been taken in this direction. A thematic working group on career guidance and entrepreneurship under the National VET Council has been in charge of steering this process.

The development of a career guidance system was one of the crucial points within the **State Programme of Development of Employment Promotion Services 2015–2018** and its implementation action plan for the period 2015–18. Another key document adopted by the government in March 2016 is the **State Strategy and Action Plan on Active Labour Market Programmes (ALMPs)**, which refers to developing legal norms/acts that define the concepts of labour market services, improving PES, implementing some active labour market programmes, reducing the mismatch between the labour market demand and supply primarily through training and retraining measures, and establishing linkages between the different line ministries who are implementing ALMPs. Training and retraining represents the key strategy focus, while its introductory text puts particular emphasis on the problem of high NEET rates in Georgia and suggests that youths (especially NEETs) should be a particular target group.

Nevertheless, the subsequent action plan does not put such an emphasis on young people, though it does stipulate provision of disaggregate statistical information about services provided (career guidance, training and retraining) according to age and gender. On top of this, the state programme on training and retraining the jobseekers identifies certain categories of beneficiaries who will be given

priority for inclusion in the programme; however, the list does not include a separate youth target group.

The country is currently in the phase of drafting an **Employment Services Act** to further transform the SSA/ESS into a modern and efficient PES. The primary focus of the law is on delineating the institutional structure for the implementation of the employment policy. It introduces the concept of a PES as a major player in this policy area. Apart from this, the act provides a legal framework for implementation of labour market services and measures (such as job mediation, career guidance and ALMPs) and defines the roles and responsibilities of the jobseekers and employers in their relation to the state. It is critical to mention that the draft act acknowledges the importance of providing extra support to certain vulnerable unemployed groups. The list includes youths and particular attention is paid to 'long-term unemployed youths'. The latter is defined as a person aged 16 to 29 who has not been working or has been looking for a job for more than six months.

While 'youth' does not feature as a separate target group in labour market services and measures, young people are the largest beneficiaries of the state vocational education in Georgia. Although VET colleges accept anyone who has achieved the minimum lower secondary education diploma, without age restrictions, the vast majority of students are aged 15 to 29. More precisely, a recent EU Technical Assistance project showed that in the 2014/15 academic year, about 30% of the VET entrants were aged 15 to 19, while the rest were 20 years or above. Furthermore, according to the MoES monitoring department, the oldest VET entrants are aged between 30 and 35 years (Interview, Salakaia, 2017).

The **Strategy for VET Reform (2013–2020)** was approved in December 2013 and it sets seven specific outcomes that aim to form a modern, inclusive and attractive system. More specifically, the reform priorities include: increasing VET enrolment, development of public–private partnerships, work-based learning (WBL), quality enhancement, and improved cooperation with the private sector. Promotion of WBL and dual education has become a top priority in the Georgian VET education system. Three key documents have been produced in this respect: (a) through the support of the UNDP, a **concept note on WBL** was developed in 2016; (b) the Millennium Challenge Account (MCA) supported the MoES in developing a **concept note on Public–Private Partnerships (PPP) in VET** in 2016; and (c) in the same year, the MoES developed another **concept on supporting self-employment and entrepreneurship in the VET system**, with the aim of helping young people to shift their focus from becoming a hired employee to a creative entrepreneur. The National VET Council has approved all these concept notes.

Georgia has clearly put lots of effort into modernising the image and improving the quality of VET; however, this process has proved to be rather challenging. One of the major issues is the accessibility of VET for the general public. The state provides vouchers for subsidised training in public vocational schools, but students wishing to enrol in a public vocational school (and therefore get a voucher for subsidised training) have to pass the Unified VET Admission Test introduced in 2013. Due to the academic knowledge required to pass this test and no age limit for studying in VET colleges, those academically more successful students tend to pass the exam, leading to the exclusion of less successful and more vulnerable groups from the subsidised public VET system. It is worth noting that the vouchers are issued for public colleges only, although both public and private providers need the same authorisation from the National Centre for Educational Quality Enhancement (NCEQE). This limits the opportunities for vulnerable young people and students from poor families to access courses at private colleges.

Accessibility has been named as another barrier. In some regions, there are no vocational schools and the geographical distribution of vocational schools is far from optimal. Young people from these regions have to move to other cities to study, which is associated with high costs, especially for poor people. Access for vulnerable groups to VET remains a challenging issue as well. Research carried

out in 2015 indicated that access to VET for ethnic minorities and PwDs is limited, though some important measures have been taken to tackle this issue. For instance, since 2015, ethnic minorities can take VET entrance exams in their native language. From 2014 to 2016, the Norwegian government-funded Inclusive VET project was implemented, which enabled the inclusion of 500 PwDs into the VET system. Special programmes have also been created to facilitate VET access for young offenders, ex-prisoners and juveniles at risk of committing criminal acts (ETF, 2017).

As mentioned earlier, the MoES puts strong emphasis on cooperation with the private sector and promoting the WBL programmes. The modular programmes in VET envisage a mandatory practical component: a minimum 40% of the learning process has to be carried out at private companies. As for the other programmes, there is no strict requirement, although VET colleges try to arrange internships for their students in most sectors. However, the implementation of this has proven rather difficult for training providers. As experts point out, there is a significant difference between the colleges in Tbilisi and in the rural regions. There are some cases when colleges manage to find effective mechanisms of cooperation with employers and they indeed provide internship opportunities for the students, but in many cases, especially in the rural regions, this part of teaching takes place at the VET institution premises or does not take place at all.

There are two reasons for this. First of all, it is difficult to find enough companies willing to take the interns. Studies reveal that employers' attitudes towards skills and competences of VET graduates are pessimistic. The employers do not feel that students are ready to fit the workplace or meet their requirements. Many companies do not collaborate with vocational schools due to a lack of information about such opportunities and scepticism about the quality of teaching at these schools (UNDP, 2015).

Secondly, even when the employers are keen, they often lack the necessary technical infrastructure and environment at their premises to enable the students to meaningfully practise their skills (Interview, Sakvarelidze, 2017). This primarily applies to small and medium enterprises (SMEs), while large companies usually have the relevant infrastructure. However, due to the structure of the Georgian economy, there are not many large businesses and they cannot absorb the mass of VET students.

Other state strategies which have some influence on youth policies are as follows. The **SME Development Strategy for 2016–2020** was adopted in 2016 for continued reform and support for SMEs. It includes support to facilitate access to finance for SMEs; help to improve entrepreneurial learning in accordance with the EU's practices; the creation of concrete support measures to encourage innovative entrepreneurship; and the development of new instruments for export promotion. The **Regional Development Strategy 2015–2017** acknowledges the efforts made in increasing employment and VET provision, and highlights the persistent regional disparities in which access to lifelong learning and employment opportunities remains a key challenge for the population residing outside the capital.

The **Agriculture Sector Strategy (2012–2022)** adopted in 2012 and revised in 2015 has seven priorities, one of which aims to increase the competitiveness of agricultural employees, including improving the quality of vocational education and higher education in the agriculture sector. Specifically, the goal is to increase the number of graduates by improving the attractiveness of agriculture programmes.

The **Poverty Reduction Strategy** (dated from 2006) aims to help poor people (concentrated in the regions and rural areas) and the **Livelihood Support Strategy of 2014** focuses on IDPs concentrated in some regions. The **Livelihood Action Plan 2016–2017** aims for better access for IDPs to the labour market to improve the socioeconomic conditions of IDPs.

2.2 Institutions and stakeholders

There are not many actors in Georgia whose activities directly and exclusively focus on young people. Moreover, the only institution with direct responsibility for developing and implementing the youth policy framework in Georgia, the MoSYA, was merged with the MoES at the time of writing this report in December 2017. As of January 2018, all the functions of the MoSYA were transferred to the MoES, but the youth-related structure within the new ministry has not been fully clarified.

Nevertheless, youth represents one of the key targets for almost all major government initiatives, and NGOs and donors are also active in the area. This section outlines some of the major players in this policy field, including the ex-MoSYA for its ongoing functions and programmes whose future is not yet clear under the new structure.

2.2.1. Ex-MoSYA – now merged with the MoES

The primary objective of the MoSYA's activities was to carry out the Youth Action Plan. The implementation of the action plan was translated into a Youth Policy Development Programme at the beginning of each year. In 2017, the programme had five key directions: professional orientation and career development; entrepreneurship promotion; supporting vulnerable youth groups; developing international relations; and supporting regional development programmes. The first two directions had particular importance for the youth school-to-work transition and they will be discussed in more detail below.

The MoSYA was a pioneer in developing an online career guidance platform in Georgia. The web portal myprofession.gov.ge became operational in 2014 and has been growing ever since. The portal contains a wide range of tools such as self-assessment tests, a guidebook on career guidance, a description of professions (both textual and videos), case studies and regular updates about news in the world of work. The portal also contains links to educational institutions, training institutions and other relevant actors. In the absence of a fully-fledged career guidance system in the country, this online tool represents a rather valuable resource for both beneficiaries and practitioners. However, it should be mentioned that in a recent study, the MoSYA found that young people in Georgia still lacked awareness about this web portal and more needs to be done in this direction (MoSYA, Interview, 2017)[23].

Within the framework of the Entrepreneurship Promotion Programme, in 2017 the MoSYA launched a project aimed at increasing entrepreneurial competences in young people. This initiative envisaged training as well as provision of start-up grants (for details, see chapter 3). The MoSYA runs other important activities through the Children and Youth Development Fund (CYDF) and Children and Youth National Centre (CYNC). Both institutions are legal entities of public law and previously operated under the MoSYA, but their current status after the restructuring remains unclear.

2.2.2. Children and Youth Development Fund

The main mission of the CYDF was to support young people and youth organisations in developing innovative ideas and thus contribute to the implementation of the National Youth Policy. For three years in a row, the main priorities included: (a) supporting employment and non-formal education, and (b) promoting the school-to-work transition. The main tool employed by the CYDF was through the grant component for funding social entrepreneurs. Interest in social entrepreneurship has been increasing in Georgia for the last few years, first in the NGO sector and lately in public agencies as

[23] Despite its very limited resources, the MoSYA has a record of engaging youths with non-formal and informal education, career guidance and counselling as well as entrepreneurship skills development, particularly at the local level. Its online website on career guidance and counselling received 120 000 visits in 2016. There is also a network of Youth Councils across the country.

well. A number of actors are running projects and providing resources for individuals interested in such activities.

The major challenge for social entrepreneurs is the fact that the concept of 'social enterprise' is unknown in Georgian legislation (CSRDG, 2010). The absence of a legal definition creates a number of challenges, including the following: social enterprises are not entitled to any tax breaks; they often have to rent the premises from the local municipalities (to whom the enterprise is providing the service); they have to pay taxes on property received through charity (CSRDG, 2010). As a result, a lobby group has been created that is currently working on a draft law on social entrepreneurship[24]. Meanwhile, the concept is widely used and practised in Georgia, as in the case of the CYDF. The initiative covers the entire country, with a particular focus on young people in the mountainous areas (for more details, see chapter 3).

2.2.3. Children and Youth National Centre

The CYNC puts particular focus on nourishing and supporting the development of the intellectual, personal, professional and physical potential of Georgia's young people. The CYNC had two major directions of operation: organisation of national/ annual youth camps and festivals, and special programmes focusing on integration of PwDs and youths with special needs in social activities. Under the framework of the second component, a wide range of activities were organised each year, such as the establishment of sports clubs, opening a 'social café', and offering science groups and groups for mastering handicrafts.

Of particular interest for the youth school-to-work transition are summer camps, which in addition to sports and music activities offered non-formal learning and training. Until 2017 these camps were held in two locations: Anaklia (Samegrelo region) and Shaori (Racha-Lechkhumi region). In 2017 a third location was added in Manavi (Kakheti region) (for more details, see chapter 3).

2.2.4. Other state actors

No other state actors have an exclusive focus on young people. However, given their scope of activities, a number of other agencies are involved in shaping the youth school-to-work transition opportunities, as discussed below.

The Labour and Employment Policy Department, created in 2014 within the MoLHSA: This department has the mandate to develop national employment and labour market policies and sometimes focuses on young people as one of the target groups for its policies. EU funding was provided for technical support to improve its policies during the 2014–18 period. The department recently developed a one-stop-shop integrated public web portal, LMIS, which ultimately will provide updated information on labour market trends, career guidance and occupational profiles[25], with a databank of 78 variables for 6 categories (macroeconomics, labour market, education, population, investments, and comparisons). It is designed as a mechanism to handle collection, processing, analysis and dissemination of labour market information to jobseekers, students, employers and policymakers. In 2017, this department transferred to the MoESD, but its expected aim of helping citizens, including youths, students and jobseekers, remains the same.

The Employment Support Services (ESS), created in 2014 within the SSA: The ESS aimed to function as a PES, and was made responsible for registering jobseekers and vacancies, providing employment services, and implementing ALMPs. The main ALMPs introduced so far have been

[24] In the EU, the 'social economy' (so-called third sector) is considered an important potential source for job creation. The main objective of social enterprises is to have an employment/social impact rather than just making a profit for their owners or shareholders. Thus, many countries enacted legislation on social (non-profit) enterprises and provided extra incentives to encourage their development.

[25] See http://labour.gov.ge/molhsa/lmis/lmis.portal.web/default.aspx.

training and retraining programmes for unemployed people; employment support programmes for vulnerable and less competitive groups; internships at private companies for unemployed people; wage subsidisation for vulnerable jobseekers; and provision of job fairs in different regions, vocational counselling and career guidance. The ESS staff benefited from an EU-funded Twinning project, which was completed in the first quarter of 2017. The pilot run of a new service model in the two SSA/ESS offices in Tbilisi proved it is possible to offer effective service provision even with limited resources, but this has yet to be spread to all 69 district offices. A fully functional employment service requires further capacity building and external support at the district level.

The **MoES** also plays a crucial role as a provider of primary and secondary education, VET and higher education in the country. In particular, its VET Department is responsible for developing VET policies and manages the website on VET programmes (www.vet.ge). To ensure alignment of the vocational education programmes with the current and future demands of the labour market, since 2013 the MoES has taken significant steps to increase the quality of VET education. For instance, the ministry has prepared **modular VET programmes** and developed and/or revised **occupational standards** using the standard methodology (DACUM)[26] and with the active involvement of employers. Recently it has reviewed the VET strategy and is currently in the process of revising VET action plans for the remaining three years, and drafted a new **VET Law**.

In addition to the VET Department, the NCEQE and the National Teacher Professional Development Centre[27] have important functions on the improvement of VET delivery, which includes organisation of teacher training within schools and enterprises, improving the quality of teaching and assessment, and piloting the system of validation of non-formal and informal learning, which is essential for the further development of quality as well as relevant education (ETF, 2017). There is also an **Association of Private VET Colleges** under the Georgian Employer Association (GEA), which can be considered an important actor in this field. This is a network of 49 private colleges over the whole country, with 6 000 students, 1 400 teachers and 400 administration staff registered in their system.

In 2014, the **MoESD** created two new institutions, Enterprise Georgia (EDA) and the Georgian Innovation and Technology Agency (GITA), to provide financial and technical assistance for entrepreneurship, innovation and export promotion, and support, in particular for the growth of SMEs. The ministry is responsible for the implementation of the SME Development Strategy and each of the two agencies has around 30 staff. Both agencies run a number of programmes providing entrepreneurship funding and training opportunities for Georgian citizens, which is of course open to young participants as well (for details see chapter 3).

EDA provides support to companies relating to access to finance, export promotion, promotion of Georgian brands, entrepreneurship development and consulting, technical assistance and training on different aspects of business (such as management, export, finance, new equipment and human resources). Entrepreneurship is covered by many programmes implemented by EDA, such as Start-up Georgia, Produce in Georgia, a micro-grant programme, and business incubators. It also offers micro and small business support activities, export promotion and an informative 'export portal', including support for international trade fairs and trade missions. Start-up Georgia finances either export-oriented companies or innovation projects and funds original ideas, while Produce in Georgia focuses on traditional sectors to improve the quality of products and promote the branding of Georgian products.

GITA works to promote innovation and technologies through infrastructure development, technical assistance and skills development, and also offers access to finance. Their priorities are infrastructure

[26] DACUM is an acronym for developing a curriculum.
[27] These are legal entities of public law, subordinate to the MoES.

for digital technology, technological support for SMEs, digital use in households, and collaboration with universities through the creation of technology parks, fab labs and innovation centres. Technology parks and fab labs aim to create a suitable environment for new start-ups to innovate and develop new technological products. For example, in the field of ICT, there is special support for game development, computer graphics and mobile applications. Generally, universities host the laboratories and they promote public/private/university cooperation. With the help of the World Bank, GITA creates community innovation centres with broadband fibre internet connection for all so that everyone in the community has access to internet through these centres. GITA is also the implementer of a government programme for training 40 000 ICT specialists by the year 2020, and the majority of their clientele are young people.

Last but not least, **the Ministry of Justice** and **the Ministry of Corrections** have both been running social entrepreneurship programmes for their beneficiaries, which among others includes young offenders and those on probation. Through a range of donor-funded projects, these ministries have been able to enhance the employability of their beneficiaries.

2.2.5. Non-state actors

There are only a few civil society organisations that run programmes/projects exclusively directed at young people. Most of the NGOs focusing on youths primarily work in the field of non-formal education and soft skills development, although some of them also provide vocational courses. The remainder of this section provides an overview of the non-state actors' visions and major programmes in this area.

Young people represent one of the major target groups for **World Vision International's** (WVG) Georgia office. Its Youth Empowerment Programme aims to enhance youth participation and engagement to create positive changes at all levels. The programme targets young people aged 13–17 (lower secondary school students) with the objective of increasing their civic participation. This is primarily achieved by organising youth clubs at community and regional level. The youth clubs operate primarily in two ways: non-formal learning and mini grants scheme. The non-formal learning component comprises a series of training in soft/life skills (such as communication and leadership), while through the mini-grant component, local youths get the opportunity to develop project ideas for local community development and apply for funding. WVG provides active support in writing project proposals and applying for funding, as well as financial support.

In addition to the Youth Empowerment Programme, WVG launched a Skills and Knowledge for Youth Economic Empowerment (SKYE) initiative in 2017, which aims to increase the employability of those aged 18 to 25. The programme envisages the creation of so-called SKYE clubs with each having around 20 to 25 participants. Besides their direct work with young people, WVG also cooperated closely with the MoSYA to influence developments at the policy level. The primary aims of their cooperation were retraining youth workers, capacity building of staff in the municipalities and lobbying for formal recognition of youth worker status.

Another important actor in the field is a Spanish NGO, **Action Against Hunger (AAH)**, which operates Employment Shuttles. The employment shuttle methodology was originally launched by AAH in Spain and was introduced in Georgia in 2015 through AAH's local office. The Livelihood Initiatives to Foster Employability and Entrepreneurship of IDPs and Host Populations in Georgia project (for brevity called 'Life Georgia') was implemented by a consortium of NGOs led by AAH Georgia and its local NGO partners: Rural Development for Future Georgia in Gori, Atinati in Zugdidi and Education for Democracy in Tbilisi (for details see chapter 3).

Among the local NGOs we should mention **Kutaisi Education, Development and Employment Centre (KEDEC).** Youth represents one of the major target groups for KEDEC in almost all of its projects. Two directions of KEDEC's activities are particularly interesting in the context of the school-to-work transition. These include the economic development and training and education components.

KEDEC works closely with local employers and carries out labour market needs studies. Based on this, it has developed a training component that covers a wide range of courses varying from career orientation to general management and foreign languages. Unlike the previous NGOs discussed in this report, KEDEC offers technical courses in addition to soft skills training. Young people represent the largest share of their training participants. As well as the training, KEDEC has implemented a number of projects focused on developing participants' entrepreneurial competences and providing them with start-up grants. These projects have been exclusively focused on young people.

Youth organisations: There are more than 100 local NGOs which specialise in youth work and are commonly referred to as youth organisations. While there is no legal definition of this, these organisations have one thing in common: they all focus on working with young people with the primary objective of promoting their civil participation and development of soft skills. One of the most renowned youth organisations in Georgia is the **Sunny House Non-formal Education Youth Centre**. Its major activities include training, summer camps and other events organised for and by young people. Youth organisations in Georgia are close partners of larger international NGOs and state actors (e.g. the MoSYA) and often implement projects jointly.

Recently, the **GEA** has also been interested in implementing some projects targeting young people. In 2016–2017, the GEA initiated an interesting project in partnership with the employers' association from Mecklenburg-Western Pomerania in Germany, with particular focus on secondary school students. The project includes a full package of professional orientation, promoting VET and entrepreneurship options, and providing apprenticeships at private companies.

Universities and their career guidance services: During the 2016/17 academic year, 74 higher education institutions were in operation in Georgia (Geostat, 2017). Only the largest state and private universities among these offer career development and employment support services to their students. Some of them (e.g. Georgian American University and University of Georgia) provide a rather advanced set of services.

2.2.6. Main donors involved in youth policies

The EU and European Union Delegation to Georgia are major donors in the youth field. A number of projects listed in this section have been funded through the EU's support. However, the main contribution of the EU has been the budget support and technical assistance projects in the field of VET and the labour market. The EU has been the main donor in Georgia, continuously supporting the VET sector since 2009. The first EU VET support programme solely focused on VET for the period 2009–12, with a budget of EUR 21 million (EUR 19 million direct budget support and EUR 2 million technical assistance). This was followed by a new EU support programme on VET and the labour market for the 2014–18 period, with a budget of EUR 27 million (EUR 20 million direct budget support, EUR 3.5 million technical assistance, EUR 1.5 million twinning and EUR 2 million grant scheme). In May 2017, the EU announced that a new technical assistance programme will be launched in 2018 with the primary topic of human capital development, and youths will be the primary final beneficiaries of this initiative.

In addition to country-specific funding, the EU has earmarked EUR 215 million for 2015–2020 for the EaP countries to participate in Erasmus+, the EU programme for education, training, youth and sport[28]. Within higher education in 2015–2017, some 2 500 exchanges (1 300 students and 1 200 staff members) from Georgia to Europe and 1 280 (410 students and 870 staff) from Europe to Georgia were supported (so-called International Credit Mobility projects). Forty-four Erasmus+ scholarships were awarded to master's students from Georgia (Erasmus Mundus scholarships), and six actions

[28] The information in this paragraph was provided in a note from the European Commission's Directorate-General for Education, Youth, Sport and Culture.

were selected for Jean Monnet funding. Nineteen projects were funded to support capacity building of Georgian higher education institutions. Finally, 5 300 young people and youth workers from Georgia participated in joint Erasmus+ Youth in Action projects with their counterparts from Erasmus+ programme countries.

In addition to the EU, three other donors/organisations should be mentioned as they were involved in implementing projects with direct relevance for promoting youth employability: German International Cooperation (GIZ) with German government funds complemented by EU funds; UNDP with Swiss government funding and EU funds; and MCA with USA government funding (see below). They are all actively involved in establishing dual education and/or work-based training in Georgia. They all cooperate closely with the MoES and provide technical assistance in the field of VET. Furthermore, they run pilot projects in Georgia.

From 2013 to 2018, **the UNDP** has been implementing a project entitled Modernisation of the VET System Related to Agriculture in Georgia in cooperation with the Georgian Farmers' Association (GFA). This is a project funded by the Swiss Agency for Development Cooperation with a budget of USD 5.8 million, and it provides WBL for youths in Georgia in the field of agriculture in cooperation with the selected VET agricultural schools. Recently it is announced a further extension of this project.

MCA has been implementing the Industry-led Skills and Workforce Development project for the period 2014–19. This aims to improve the linkage between market-demanded skills and the supply of Georgians with technical skills relevant to the local economy. The project is funded through the USD 140 million Millennium Challenge Compact, signed by the USA, acting through the Millennium Challenge Corporation, a United States government corporation, and Georgia on 26 July 2013. While the Improving General Education Quality component has a budget of USD 76.5 million, the Industry-led Skills and Workforce Development element has a budget of USD 16 million.

GIZ has partnered with a number of German employers and runs dual education programmes in three selected sectors under the Private Sector Development Programme: tourism, construction and wine production. The programme interventions include: (i) framework conditions (strategies, statistics etc.); (ii) value chains; and (iii) vocational qualifications. It particularly looks at vocational qualifications and works with NCEQE to improve VET quality assurance. The MoESD (and EDA) is the main counterpart, but stakeholders also include the MoES, tourism administrators, business associations, chambers of commerce and industry, while 11 VET colleges in 3 sectors are also involved. This programme is part of the regional programme (Armenia, Azerbaijan, Georgia), with EUR 30 million (from the German Federal Ministry for Economic Cooperation and Development) plus EUR 5 million of EU funds for SMEs, which started in 2013 and was due to finish in 2017.

The United Nations Population Fund (UNFPA) has provided critical support to the MoSYA in developing the National Youth Policy and respective action plan. UNICEF, another UN agency, primarily focuses on child protection and promoting child welfare reform; however, it has also played an important role in overall youth policy as it previously carried out national survey on children and youths in 2014, providing important evidence for policymakers.

The international and local NGOs described in this section are able to implement the programmes on national, regional and local levels. This is due to their presence in the regions and extended networks with other grassroots organisations. By contrast, the MoSYA, CYDF and donor organisations are limited to the national level only, as they operate in Tbilisi and do not have regional structures. Nevertheless, they are running programmes at the local level as well as through partnerships with NGOs and civil society organisations.

The **World Bank** provided a USD 40 million loan to Georgia in 2015 for the implementation of the Georgia National Innovation Ecosystem (GENIE) project. Still ongoing, the project supports the

implementation of the government's strategy to build a competitive and innovative economy and to increase innovative activities of firms and individuals and their participation in the digital economy. It includes the creation of regional and community innovation centres, enabling wider adoption of internet by households and small businesses; developing digital economy skills and capacity of businesses to be innovative; and improving access to finance for innovators. Two regional innovation centres and three pilot centres based in libraries have already been created, and eight more technology parks and fifty small innovation centres will be opened in all regions by the end of the project.

3. IMPLEMENTATION OF MEASURES SUPPORTING YOUTH TRANSITION TO WORK

This chapter reviews the ongoing and completed measures supporting the youth transition to work in Georgia over the past three years. The annex lists these measures and programmes implemented at national, regional or local level that target young people aged 15–29 or certain groups of youths, to support their transition to work. This review is made on the basis of 32 initiatives identified in Georgia. This is not an exhaustive list; those included range from regular public services to special programmes and donor-funded projects, and are very diverse in terms of size, scope and activities. Taking into account their primary objective, these initiatives are grouped into three clusters: (i) skills development; (ii) career guidance and counselling; (iii) entry and stay in the labour market.

3.1. Skills development measures: This includes all skills development measures that are provided at school level (initial education/training); skills development after leaving school (including non-formal and continuing training outside school); and retraining provided by the SSA/ESS to jobseekers and workers in general. This category also includes measures to prevent early school leaving, to attract dropouts back to school, and to provide second chance education opportunities.

3.2. Professional orientation and career guidance services: POCG is presented here as a transversal topic as they can be provided in different phases of individual's life (initial education, continuing training and employment services). The services include counselling and guidance in the secondary general and secondary VET sector, career guidance in universities, as well as career guidance for jobseekers at the SSA/ESS offices. It is generally part of the whole service package, combined with skills development and employment services.

3.3. Measures for entering and staying in the labour market: This includes all other types of support measures to facilitate young people's first entry into the labour market, except skills development and training, and other services and measures that would support sustainable integration in employment, including inter-job mobility. Examples of such measures are support for job searches and job intermediation, support for gaining first work experience, entrepreneurship and self-employment support measures, public works programmes, and other targeted measures for disadvantaged youths.

It is worth noting that some measures identified in the course of the analysis combine elements of more than one cluster. In such cases, sometimes that particular measure is classified according to its dominant activity and budget proportions across clusters. In some other cases, each type of service under the same measure is given separately in line with its primary objective.

3.1 Skills development measures

The review and assessment of the skills development measures are made on the basis of 14 activities identified to support this objective (see the annex) and clustered around three sub-headings: (i) improving initial VET through WBL; (ii) providing non-formal education; and (iii) delivery of continuous vocational training.

3.1.1. Improving initial VET through WBL

As discussed in the second chapter, the importance of WBL and dual education has gained lots of attention in Georgia. The VET Law of 2007, the Law on Education Quality Enhancement 2010 and VET Strategy 2013–2020 acknowledged school-based and work-based practical training as essential parts of the system, although the distinction between school-based and work-based practical training is somewhat blurred. The recommendations require a minimum component of 40% practical training in

all VET provision, with some courses demanding higher percentages in line with the applicable occupational standard (ETF, 2016). These changes have resulted in an increased share of practical training, both at school and in work settings, but the total amount of provision available is still considered inadequate. The VET curriculum includes work experience, work-based/company training and external project modules, implying work-based contexts for training for close to a quarter of the curriculum after the revisions (ETF, 2016).

Given the available infrastructure, some public VET colleges offer work placements in school-owned companies or training firms, mostly in tourism, agriculture and food processing. Other private VET colleges (especially in the health sector) organise WBL in cooperation with health institutions. Similar initiatives in higher education are not common, but some examples exist such as the EU CHEMLAB project. This is a collaboration between Tbilisi State University, Georgian Water and Power, and the Biotex Etaloni Wine Laboratory, providing training for company employees within a WBL programme[29]. Besides the VET system improvements by the MoES, five initiatives are identified as donor-funded and implemented projects which promote WBL and the establishment of dual education in Georgia, such as those of the UNDP, GIZ, GEA and People In Need (PIN, a Czech NGO) (see the annex).

The UNDP has implemented the largest WBL programme in the agricultural field (cattle-breeding and fruit-growing), with funds from the Swiss Development Agency, for the period 2013–18. It has partnered up with eight agricultural VET colleges in the Imereti, Kakheti, Samegrelo, Samtskhe-Javakheti and Mtskheta-Mtianeti regions. The main focus is on promoting training and professional development of vocational teachers, extension officers and agricultural specialists. The programme has contributed to overall VET by developing new educational standards and programmes in agriculture, including up to 100 training modules. Up to now, 40 students have been enrolled in the first phase of WBL. The **GFA**, which is one of the main implementing partners of the UNDP, cooperates with 11 private companies in this regard. It is crucial to note that the development/revision of educational standards in VET is highly relevant and sustainable as the programmes were approved by the MoES and streamlined in the VET system.

The key challenge of the project relates to the mechanisms of cooperation with the private sector. In the first phase of implementation, stipends for trainees were subsidised by the project. It is promising that in the second phase starting in 201, new companies joining the project take on the responsibility for paying the interns (Interview, Khitarishvili, 2017). According to the UNDP, this is the result of their strategic approach: rather than entering negotiations with each and every company individually, they have partnered with the GFA, which represents an umbrella association of companies operating in the field of agriculture. The GFA has been used as a platform to communicate the idea of WBL to the companies. As an association that closely follows trends in the sector and is trusted by its members, the GFA was better positioned to persuade companies of the benefits of providing WBL. Nevertheless, sustainability concerns remain, given the fact that company involvement in this scheme is currently based on negotiations that are not rooted in an industrial or labour relations system in Georgia and there is no guarantee that a similar scheme would also be successful in other sectors.

GIZ has been running a similar dual education programme in the fields of winery, tourism and construction since 2013 as part of the Private Sector Development Programme. The primary focus of the project is on introducing modular teaching and offering dual education opportunities to VET students at 11 VET colleges. So far, programmes have only started in the field of winery, while the groups in tourism are supposed to start from the 2018/19 academic year. Twenty-two students have taken part in the dual education programmes so far. GIZ has taken a somewhat different approach

[29] According to an ETF (2016) study, informal apprenticeships exist in some sectors in Georgia such as crafts, construction, garment or shoe-making and repair, hairdressing and automobile maintenance. They typically take place entirely within the workplace and do not involve any complementary classroom-based education.

from the UNDP in cooperating with the private sector. Instead of working through an association, it has been directly discussing the idea of dual education with private companies. It is critical to mention that GIZ had already worked with some of these companies through its Private Sector Development Programme funded by the EU to support EDA.

Nevertheless, it took considerable effort to explain to companies the benefits of dual education. GIZ has even organised a special study tour to Germany for potential employers and announced a competition involving the companies in their project. Out of 35 applicants, only 17 met the requirements and were taken on board (Interview, Shurgulaia, 2017). These companies currently cooperate with the VET colleges and they recruit interns from the VET students. The students enter into a contractual agreement with the employer (which assumes payment of a reduced salary). In this way, students get 60% practical training at the company premises and 40% theoretical training at the VET college. Upon successful completion of this stage of cooperation, students might be offered regular employment with the company, substituting the learning contract with a work contract.

In 2016–2017, the **GEA** initiated an interesting project in partnership with the employers' association from Mecklenburg-Western Pomerania in Germany to promote dual VET and apprenticeships. The project has a particular focus on secondary school students, with a budget of EUR 50 000 from the German Ministry of Foreign Affairs. It includes a full package of professional orientation, promotion for VET and entrepreneurship options, and providing apprenticeships at private companies. This is the first project in Georgia that will work with secondary school students and engage them in vocational education and internships with the employers and thus deserves particular attention. If well established, the mechanisms of cooperation with the private sector at the school level could be a great complement for the MoES-implemented professional orientation activities at schools. However, the GEA has no cooperation with the MoES, which puts the sustainability of the project at risk. The GEA has not yet started student recruitment and it is too early to assess its effectiveness.

At the end of 2015, the Czech NGO **PIN** launched a two-year project entitled Improving Formal, Non-formal and Informal Vocational Education of Agribusiness in Georgia funded by EU grants. The project aimed at improving the synergy between the labour market demands of the agribusiness sector and the skills and qualifications offered by formal, non-formal and informal VET. In this regard, the primary beneficiaries of the project were educational institutions that improved the training curriculum. However, the project also had a WBL component in the framework, with the plan of assigning 400 VET students to agribusiness companies for traineeships in parallel with formal training at the colleges. However, the final number of students engaged in the internship programme was only 26, which was primarily due to the limited number of companies in the field of agriculture.

The UNDP, in partnership with two VET colleges, the GEA and local NGOs, also implemented another two-year project (end 2015 to end 2017) funded with EU grants in three highland regions. This project focused on deepening linkages between the formal/non-formal VET system and labour market needs in the context of lifelong learning. The project included a component of youth school-to-work transition in the Shida Kartli and Svaneti regions. Within the scope of this activity, the implementing partners (KEDEC and the Association of Business Consulting Organisations) carried out research on regional labour market needs. More precisely, they engaged in ongoing labour market surveillance by keeping regular contact with the employers. This means there is a constant process of identifying the vacancies and then training the individuals using tailor-made courses that directly address the demands of a particular employer in a given period of time.

Apart from preparing employers for cooperation, the UNDP project puts particular emphasis on preparing the training providers as well. Although it has partnered up with VET colleges in the regions, it does not let them deliver existing training programmes with existing personnel. For instance, in the Jvari municipality, the UNDP has mobilised two external trainers and embedded them at the local VET college to provide training. In some cases, the project has also equipped the college with necessary

infrastructure to provide quality training. Last but not least, the participant selection process is rigorous and the applicants have to undergo initial interviewing, testing and counselling stages. Since the training sessions are still ongoing, the UNDP cannot provide details of the project output. However, there is certain evidence that this approach works: for instance, in Jvari (Svaneti region), an Azeri company has already hired 11 trainees, and in Anaklia, a project is training up to 100 trainees based on a direct order from the company 'Anaklia development group'.

The donor-funded programmes described above are obviously a welcome relief for the system as they change the attitudes of employers and set new standards. However, a number of challenges exist. First of all, the scope of these programmes is minuscule (currently it covers up to 100 students only). Secondly and most importantly, the feasibility and sustainability of these programmes is questionable. All of the described projects have found a way of engaging the private sector (persuading companies to receive the interns and providing them with payment); however, none of the measures have created a mechanism of expansion of this cooperation to other sectors and employers. At the moment, this cooperation is based on successful negotiation and persuasion of the employers. In the case of GIZ, most of the companies have German roots/connections, which also aided their inclusion. There is no guarantee that these companies will not opt out of the scheme, since they are not institutionally bound to cooperate.

Consequently, it becomes clear that unless the MoES develops a national approach of dual education and finds a way for more systematic cooperation with the private sector, donor-funded projects will not have a long-lasting impact. Policymakers in Georgia have to realistically assess the viability of the dual model, which owes its success to the highly industrial structure of the economy, well-regulated employment relations and a long history of sector-wide cooperation between the employer and employee associations in the countries of origin. Since these preconditions are missing in Georgia, the establishment of dual education or WBL calls on much larger reforms than single initiatives by non-state actors.

In general, the pilot WBL projects have been assessed as being successful by all the stakeholders, but most complain about the lack of supporting legislation providing a framework for clear institutional set-up and implementation of 'school firms' (simulation firms created by vocational schools for practical learning) and dual VET. Moreover, companies certainly need more support in extending WBL as they do not see the immediate benefits of their engagement in this. Any additional burden in the form of administration, paperwork, responsibilities relating to student health and safety or risks of industrial accidents and damage to equipment discourages businesses from participating in WBL. Therefore, relieving the administrative burden of WBL for engaged companies, providing incentives for employers to engage in WBL, and improving mechanisms for ensuring the quality of WBL are key steps in extending WBL (ETF, 2016).

3.1.2. Providing non-formal youth education

Although not regulated in a clear policy framework in Georgia, non-formal education primarily focuses on key competences and soft skills in Georgia. Most of the eight initiatives identified in this field are dominated by NGOs, plus regular activities of two state institutions. The first state institution is the **National Children and Youth Centre (NCYC)** which runs youth camps in Georgia. The youth camps organised by the NCYC aim to promote a healthy lifestyle among young people in Georgia. The camps offer a wide range of sports and entertainment activities, as well as training in non-formal settings about soft skills such as leadership, creative thinking, teamwork and problem-solving. The total budget for the programme in 2017 was GEL 1.5 million and the number of beneficiaries went up to 4 403 compared to 3 584 in 2016.

The beneficiaries of youth (summer) camps are secondary school students (14- to 18-year-olds) and the selection principle is that each secondary school in Georgia should send one high-achieving pupil. Once the selection of students based on their performance is completed, programme administrators

do the second stage of the selection process, giving priority to students from poor families and IDPs (if these happen to be in the pool of selected students). According to the programme administrators, the main evidence for the programme's success is increased demand for youth camps, which has led to the number of participants increasing year on year. However, there is no evidence regarding the individual effect these programmes have on young people as no final evaluation or tracking is taking place.

The second state institution to offer non-formal youth education is the **GITA** (under the MoESD), which provides information technology (IT) and digital skills training to the public. In the course of 2016, training activities at the GITA included around 2 000 young participants in a wide range of programmes. This included training in innovation management, IT project management and courses in different programming languages like Android, Java, iOS, PHP and Python. It is critical to note that course selection is based on market research and constant communication with the industry, making the training highly relevant. The scope of the activities is quite tangible as well and the GITA plans to expand its service provision by building more innovation centres with the support of the World Bank. The main funding comes from the government, ensuring sustainability of the programme for the near future. The only challenge with the described training courses is that the GITA does not track/evaluate the long-term impact of its intervention.

In addition to these state agencies, there are a number of large and well-established non-state actors as well as dozens of smaller NGOs (as mentioned in chapter 2) that focus primarily on non-formal skills education. Most of the NGOs combine non-formal skills development with other activities like job intermediation and mini grants. For instance, **WVG** has two separate programmes: one for youths aged 13 to 17 (secondary school students) and another for those aged 18 to 25. Training in soft/life skills is present in both; however, the objective of the first programme is to increase young people's civic participation (organising community projects). For the age group 13–17, WVG has created 50 community clubs and 30 school clubs, each uniting around 20 to 25 youths (so a total number of beneficiaries of approximately 1 600 youths). WVG operates in 7 municipalities and 3 regions (Imereti, Kakheti, Samtskhe-Javakheti), and 12% of its annual budget (USD 5 million) was directed towards the Youth Empowerment Programme in 2016. The programme is highly effective in mobilising young people and increasing their public engagement, as evidenced by the number of community projects they have produced and implemented so far. However, this initiative can only have a marginal effect on the school-to-work transition, since increased employability is not part of the objective of the programme and it only focuses on increasing young people's civic engagement.

By contrast, increasing youth employability is a primary objective of the second programme, which was launched in 2017 for youths aged 18–25 (until 2020). The latter operates through so-called SKYE clubs, with each having around 20 to 25 participants. The club members meet on a regular (weekly) basis and the mentor provides counselling and training on four main topics: active citizenship, employability, leadership, and social entrepreneurship. Four SKYE clubs have been established so far and they have just started operation. Consequently, it is too early to report on the effectiveness of this initiative. Nevertheless, it should be noted that the activities of SKYE clubs closely resemble those of employment services and could therefore be seen as an extension of the national ESS. Unfortunately, there is no cooperation between the two, which could be of critical importance for increasing the project's sustainability.

AAH used a somewhat similar approach in its Life Georgia and Employment Shuttles projects. Life Georgia was funded by the EU (EUR 1.4 million) and implemented by a consortium of NGOs led by AAH Georgia and its local NGO partners: Rural Development for Future Georgia in Gori, Atinati in Zugdidi and Education for Democracy in Tbilisi. The main objective of the project was to support socioeconomic integration of IDPs into the local population and support them to create long-term livelihood opportunities. The programme managers state that roughly 70% of the programme

participants were aged 18–31. This project was completed in September 2016 with rather positive results. Based on this experience, AAH launched a similar project in East Georgia in 2017.

AAH's Employment Shuttle programme brings together a group of 20 proactive and motivated unemployed people[30] who, with the help of a coach, work as a team to encourage labour inclusion of all members of the team. The programme offers group sessions (non-formal education for soft skills) as well as individual coaching and contacts with employers. So far, two rounds of Employment Shuttles have been carried out in Gori, Zugdidi and Tbilisi with a total of 126 beneficiaries. The project has proven to be rather effective: out of the total beneficiaries, 57% found employment by the end of the project. Furthermore, the project is promising from the point of view of sustainability as the Gori municipality has financed continued implementation of the Employment Shuttles in their municipality from their own budget. However, this is only one case of success and there is no indication that other municipalities will follow suit. AAH has tried to increase the project's sustainability by bonding with the SSA/ESS offices. They have trained three ESS staff in the shuttle methodology and planned to involve their staff as mentors in the course of the project. While the initial cooperation went smoothly, replication of the shuttle methodology did not work out at the ESS offices. At the moment, the only link with ESS is that all participants have to be registered in the national jobseekers' register (www.worknet.gov.ge).

The Youth Development Clubs project was implemented by **NGO Anika** in cooperation with the Coalition for Independent Life in Tbilisi between 2016 and 2018. Their target group is youths (15–29) with a particular focus on those with disabilities, with a budget of GBP 30 000 per year. Up to 200 young PwDs receive non-formal education per year, including leadership development, problem-solving, critical thinking, teamwork and professional orientation towards VET. Similar activities are carried out by the Coalition for Independent Life in the regions of Georgia for young PwDs.

There are also other active youth organisations such as **Sunny House Non-formal Education Youth Centre**. Its major activities include training, summer camps and other events organised for and by young people. In 2016, a total of 1 214 youths participated in a range of training at Sunny House, covering topics like peer education, leadership, civil activism, effective communication and project writing. On top of this, Sunny House also organises training courses for parents. Youth organisations in Georgia are close partners of larger international NGOs and state actors (e.g. the ex-MoSYA) and often implement projects jointly.

In conclusion, it should be said that provision of non-formal education is of particular relevance for young people in Georgia, considering the concerns raised by the employers. As mentioned in the first chapter, the World Bank STEP skills study found that while technical skills are a problem, Georgian youths also lack soft skills like leadership, critical thinking and creativity (World Bank, 2014). Due to this reason, the efforts of state and non-state actors should be welcome in Georgia. However, the projects implemented by NGOs have some common concerns: first of all, there is no uniform approach towards provision of non-formal learning and training. All actors in this field implement their projects with varied methodologies based on their affiliations and international contacts. Secondly, while the NGO project activities have clear overlap with ESS activities, there is little or no cooperation between the two.

Last but not least, heavy dependence on the non-state actors for provision of non-formal learning calls into question the sustainability of the entire field. Effectively speaking, the provision of non-formal education opportunities depends on the availability of donor funds and regional reach of various projects. There is no system to ensure that the neediest (for instance NEETs, young females or PwDs)

[30] The programme was open to all citizens irrespective of age; however, as it turned out, about 70% of the participants were young people. A new AAH project implemented in Pankisi Gorge has exclusive focus on young people (see the annex).

across Georgia would be able to receive these services. Thus, it is of critical importance to increase the visibility of the topic on a state agenda and create more structured ways for developing young people's transversal skills beyond formal education.

3.1.3. Delivery of continuous vocational training

Since 2014, the **SSA/ESS** has provided a state training/retraining programme (continuous VET) as the largest active labour market measure provided in the country. The overall goal of the programme is to train jobseekers registered at www.worknet.gov.ge in the vocations with the most unfilled vacancies, thus increasing their employment opportunities. The training periods are usually short term (three to four months) and are provided by the VET colleges based on a service contract with the SSA/ESS. The programme consumes the largest part of the ALMP budget (about GEL 2 million in 2016). It is worth noting that the programme design does not have an exclusive focus on youths, but it puts disadvantaged groups, such as PwDs, people with special needs, ex-offenders and women who have not completed secondary education, on a priority list. In addition to this, PwDs and people with special needs are entitled to higher-value vouchers (they get a voucher for GEL 1 500 instead of a regular voucher of GEL 1 000).

The total number of jobseekers who received this training was 415 in 2015, 1 804 in 2016, and 2 290 in 2017 at the national level. The share of youths among total beneficiaries was 42% in 2016. As we can see, the number of participants quadrupled between 2015 and 2016, and increased by 25% in 2017. The programme graduates' employment rate was on average 11% for 2015 and 2016, and 12% in 2017, which speaks for the low effectiveness of the programme. This is due to the programme's design flaws.

One of the main problems relates to the identification of the most 'in-demand vocations'. The SSA does not carry out regular labour market studies to inform decisions on training. Instead, the decisions are based on the Labour Demand Survey of 2015, which only showed general trends and did not have a regional focus. Thus, training providers in various regions of Georgia (with rather different economic structures) receive the same list of vocations to train people in. In addition to this, there is basically no selection and screening process of the potential candidates. In an ideal case, jobseekers should go through the process of detailed assessment and career guidance, and a decision about their involvement in the training programme should be made only after this. At the moment, however, programme participants are channelled into the training programmes based only on a brief interview and their preference for a particular training field. This often leads to demotivation and dropouts from the programme.

Finally, a major challenge is a missing link with employers. Programme participants are provided with training in what is believed to be in the vocations with the most unfilled vacancies, and left alone in their search for employment. No further job-search assistance, intermediation with employers or WBL is offered. Given this background, the low rates of post-training employment should not be surprising. While the state plans to further expand the scope of this programme, it is of paramount importance that these challenges are addressed first.

In conclusion, provision of an integrated package of services, such as in the case of the UNDP projects, would yield much better results compared to provision of training only. Although the UNDP's small-scale training/retraining programme is similar to that of the SSA/ESS, its approach differs radically (as discussed in project 5 in the annex). Closer collaboration and sharing of experiences between the SSA/ESS and the UNDP would be of great benefit to strengthen the national system. The UNDP uses www.worknet.gov.ge as one of the sources to recruit their training participants, but greater collaboration could help the replication of good practices.

3.2 Professional orientation and career guidance services

The review and assessment of the career guidance and counselling services is made on the basis of four types of activities identified to support this objective (see the annex). Modern career guidance services were introduced in Georgia only in 2015. These services are currently provided by the MoLHSA, MoES and ex-MoSYA. Unlike the first two, the MoSYA provides only a passive service by running a web portal www.myprofession.ge, which is a self-help guide for all interested individuals. As a result, we have put particular focus on analysing the services provided by the other two ministries.

The MoES operates the service at **all levels of education.** In the field of vocational education, it has career managers installed in each **VET college**; in some cases there are two specialists working in one college. A closer analysis of the daily work of these professionals reveals that the services provided by them have only a slight overlap with career guidance. The primary objective of their work is to attract students to their college. To achieve this, they carry out a number of initiatives, such as visits to secondary schools and spreading information about the educational courses at their institution, meetings with potential students and their parents, and organising college study tours for secondary school pupils.

Working with existing students represents a second element to their job. In this case, career managers monitor the progress of students and they might intervene if they notice that students are on the wrong track. A large part of their work is also linked to establishing contacts with employers and mediating their graduates' job-search process. In summary, career managers at VET colleges are providing a mix of employment services like employment counselling and job mediation, as well as initial recruitment of students and their general counselling. Given the fact that there are a maximum of two specialists per institution, it is obvious that they cannot work individually with each and every student (e.g. making individual action plans and monitoring their progress).

As for the **secondary (general) schools**, the scope of the service is much more limited given the fact that the MoES has launched a pilot project only in 20 schools in Tbilisi. The pilot envisages provision of career classes for students in the last three grades of high school; the students also get the opportunity to visit various work sites and attend informational meetings with representatives of various professions. While the initiative is highly relevant, it needs to be expanded nationally to provide support for all Georgian students in making their career choices.

Finally, **several universities** in Georgia also provide career guidance services to their students. However, given the limited nature of human and financial capacity, these services are primarily focused on group counselling and providing information about vacancies to the students. Only the largest state and private universities among these offer career development and employment support services to their students. Some of them (e.g. Georgian American University and University of Georgia) provide a rather advanced set of services. They maintain an online database of their students'/graduates' CVs, as well as a database of vacancies sourced from their partner employers. In this way, students and employers can easily search for vacancies/employees. On top of this, the careers centres at these universities arrange regular training sessions (CV writing, preparation for job interviews etc.) and events (e.g. job forums) to better facilitate the labour market integration of the students.

Other universities (e.g. Tbilisi State University and Ilia State University) also run a career development centre. Career counsellors in these centres primarily provide job mediation and matching services; however, they do not run online databases like in the two cases discussed above. Obviously, a large number of students, limited vacancies and limited staff at the career services are challenges faced by these universities. Nevertheless, they are providing good examples for other universities in Georgia, which currently lack any kind of employment services for their students. All in all, the number of universities providing career guidance services is limited in Georgia.

It is important to note that the SSA/ESS is supposed to provide **counselling and career guidance to jobseekers** registered with them. At the moment they only have eight career guidance specialists working across the country. In 2016, 3 072 individuals received vocational counselling and another 1 277 people received the same service in group counselling. Apart from the obvious fact of limited human resources and limited geographical coverage, the provision of career guidance services faces other challenges as well. Firstly, there is confusion regarding the roles of different professionals working in the same office, such as 'career guidance specialist', 'employment counsellor' and 'job coach'. While the job coach is supposed to work exclusively with PwDs, the other two have not found a way to cooperate.

The New Employment Service Model recently developed and adopted within the SSA/ESS offices by the EU-funded Twinning project envisages profiling the beneficiaries in four groups, ranging from easily employable to hard-to-employ individuals. Based on the recommendation of the EU Technical Assistance to VET and Employment Reforms in Georgia (EUVEGE) project, the employment counsellors should deal with the first two groups (more easily employable), while the career guidance specialists should engage in more lengthy counselling and assessments with the more difficult members of the last two groups. In reality, such an approach is not practised. This is due to the fact that, firstly, employment counsellors do not see the need to refer their clients to career counsellors and secondly, the beneficiaries themselves are not eager to undergo a prolonged counselling process, as their only motivation is to find a job immediately.

3.3 Measures for entering and staying in the labour market

The review and assessment of measures for entering and staying in the labour market is made on the basis of 14 initiatives identified to support this objective (see the annex). The measures are presented here under three sub-headings: (i) providing employment intermediation for jobseekers; (ii) supporting the first job experience; and (iii) support for entrepreneurship and self-employment.

3.3.1. Providing employment intermediation for jobseekers

As already explained in the second chapter, the SSA/ESS services include the registry of unemployed people and vacancies, job fairs, retraining courses, career guidance and counselling, employment support for PwDs (wage subsidisation) and short-term internships at private companies. In 2016, the SSA/ESS organised 10 **job fairs** in different regions and cities, and 670 **job placements** were made through their job intermediation (SSA, 2016). In 2017, 138 388 jobseekers registered on Worknet, out of which 113 969 were active users. In the same year, a total of 5 711 job vacancies were posted on the online Worknet portal.

Out of this, **1 775 job placements** were made thanks to the employment services. This number excludes any online matching through Worknet, but includes all job placements made by providing the following services (SSA, 2016):

- after job intermediation: 399;
- after job fairs: 731;
- after wage subsidies: 22;
- after professional training/retraining: 521;
- after internships: 46;
- within the framework of the supported employment programme: 42;
- with the assistance of partner organisations: 14.

In 2017, the total number of beneficiaries from all employment services was 3 410 people, of which 2 249 (65.9%) were women and 1 186 (34.7%) were young people.

The SSA/ESS services form part of the state vision on the necessity and importance of providing active labour market services to jobseekers. Given the problem of unemployment, especially among vulnerable groups, these services are highly relevant. The state budget allocated for ALMPs has increased over the past few years (from GEL 1 900 000 in 2015 to GEL 2 690 000 in 2017), which indicates that unless the political preferences of the government change, the services will be financially sustainable[31].

However, several important challenges remain. The first relates to the scope of the services, which is rather modest at the moment. In 2016 the number of job placements made was 670 in the whole country; the wage subsidy programme (see below) had 19 beneficiaries; and only 47 individuals took part in the internship component. This limited application cannot have a tangible effect on the employment rates in Georgia. The SSA/ESS acknowledges the problem and plans to gradually expand the coverage of programmes. However, rapid expansion of services is not desirable until the inherent design problems have been tackled. Finally, it should be mentioned that monitoring and evaluation schemes for these measures are not well developed, thus obscuring any analysis of their effectiveness.

Given this background, the effectiveness of the described services has a lot of room for improvement, which requires refinement of the methodological tools and further training of the professionals. On a positive note, it should be noted that the division of tasks among the providing agencies is well coordinated and it should be further maintained in this manner.

The SSA/ESS does not have a monopoly over employment services in Georgia. The **Adjara Employment Agency** in the Autonomous Republic of Adjara (located in Batumi) also provides fully-fledged employment services. This is a separate entity functioning under the Adjara Regional Ministry of Labour and Social Affairs, which was created in 2011 with the support of the International Organisation for Migration – even before the SSA/ESS was created in 2013. With an annual budget of GEL 830 000 in 2016 and 24 staff working on employment services in their central and district offices, they provide all ALMPs (job search and placement, training and retraining, career guidance and programmes for young people and PwDs) and conduct employer surveys for their vacancies and training needs. The agency has its own database of jobseekers (22 000 jobseekers) and employers (1 871 registered companies, 1 447 of them active) in the region, and it facilitated 1 663 job placements in 2016 (Interview, Kakhidze, 2017). In 2016 a Memorandum of Understanding was signed between the Adjara Employment Agency, the Department of Labour and Employment at the MoLHSA and the SSA/ESS to establish close working relationships. Unfortunately, no concrete developments have been made since signing the agreement and these agencies continue to operate in isolation.

There are also private actors in the field of recruitment services. **Online job portals** are very popular for young people with high levels of education, with www.jobs.ge, www.hr.gov.ge and www.hr.ge some of the most popular job-search web portals in Georgia. In addition, some private employment agencies have become active in the absence of a public agency in the past. For example, **Key Management Solutions (KMS)** is a private employment agency that provides job intermediation services in the hospitality sector, both in the Georgian market and abroad. Due to its specialisation in one sector and long-standing cooperation with many five-star hotels in Georgia and the Middle East, KMS is a recognised job broker in the hospitality industry and has continuous demand for tourism

[31] Out of this budget, GEL 2 014 000 goes to the training/retraining component, while GEL 676 000 goes to the other SSA/ESS services.

workers, sometimes beyond the number of suitable candidates (ETF, 2015c)[32]. There is an NGO association of private employment agencies.

KEDEC also recently completed an EU-funded project: **Educate, Employ, Advocate and Legislate for Equal Opportunities for People with Disabilities (EEAL).** The project focused exclusively on PwDs with a large majority of them aged 19 to 27. It provided a fully-fledged package of services, including reaching out to PwDs, providing individual assessment of their skills, and development of individual action plans. As a result, PwDs were included in internship programmes or matched with employers and placed in jobs. Throughout the implementation process, KEDEC established good working relations with the SSA/ESS and the methodological material was handed over to the SSA/ESS at the end of the project. If applied in practice by ESS, this would considerably improve their quality of service provision. Another KEDEC-implemented project was **Employment for IDP Youth** with funds from the World Bank. It worked with 236 youths from IDPs in 2016 for counselling and entrepreneurship training.

3.3.2. Supporting the first job experience

The SSA/ESS also provides support for the first job experience through **internships** and **wage subsidy** programmes. Similar to receiving a training voucher, individual jobseekers can also apply for an internship stipend. Internships can last for a maximum of three months and the beneficiaries receive a stipend for GEL 150 (State Decree No 182). However, the internship programme scope is very small and it is not directly linked with the training component, meaning that an individual can apply for an internship without participating in the training/retraining programme. In 2016, a total of 47 jobseekers benefited from the internship programme, and 40% of them were aged 15–29 (19 people).

In addition to the internship component, the SSA runs a **wage subsidy programme for PwDs** and people with special needs to support their attachment to the labour market. The subsidy envisages covering up to 50% of the employee's salary (but the amount should not exceed GEL 460 per month) for a maximum of 4 months. There are several issues of concern regarding this programme: according to the Georgian Trade Union Confederation (GTUC), employers are not involved in the candidate selection for subsidised employment positions and often they refuse to take the candidates offered by the SSA (GTUC, 2016). It is also questionable whether the duration of the subsidy programme is enough for labour market attachment of the PwDs and people with special needs. In any case, the programme is very small: in 2016, 78 PwDs received counselling, 19 of which received a wage subsidy, 11 received training, and 58 were placed in a job. Out of 19 PwDs who received a wage subsidy, 7 of them were aged 15–29.

Other agencies (aside from the SSA/ESS) also provide internship opportunities for students. For instance, young people in Georgia were rather optimistic when the **Internship in Public Service** programme was announced in 2014. The programme was launched by the prime minister and the Civil Service Bureau with the aim of increasing the talent pool of civil servants. In the framework of this programme, students and recent graduates are given the opportunity to spend short-term internships in selected public institutions[33]. It should be noted, however, that there are no guarantees for getting a job upon completion of the internship and in most cases students go through the programme just to obtain the certificate.

Internship positions are also regularly announced by private companies on online job-search platforms. However, young graduates experience acute problems with how internships function in Georgia, especially for students who are eager to learn new things and grow professionally. According to the MoLHSA Youth Employment Survey, interns do not learn anything new on the work placement;

[32] For more info, see http://kmsgeorgia.com/cms/.
[33] http://stajireba.gov.ge/4577.

instead, their time is spent photocopying things and running errands. In other words, interns are doing the job of a regular employee; however, unlike the employees, interns get paid less or do not get paid at all (the majority of internships are unpaid in Georgia) (MoLHSA, 2016b).

Most of the internships are not adjusted to fit the students' study schedules. Employers do not give consideration to the fact that interns who might be students need flexibility to combine work and study. Thus, students state that it is very difficult for them to do both and they often have to quit the internship (MoLHSA, 2016b). Obviously, there are exceptions when young people find 'good internship' positions, helping them grow professionally in their own field. However, these cases are rare. Given this background, it should not be surprising that only 11% of the respondents in the Youth Employment Survey declared that they found a job through an internship (MoLHSA, 2016b).

3.3.3. Support for entrepreneurship and self-employment

Entrepreneurship development has become a priority since the announcement of the government's four-point plan. Not surprisingly, state actors are taking the lead in this area. While non-state actors also frequently include mini grants components in their projects (e.g. KEDEC, see the annex), these are rather sporadic in nature and limited in scope. The major players in this regard are the MoESD and the ex-MoSYA. The MoESD has two major programmes implemented by its agencies: Start-up Georgia, by GITA, and Produce in Georgia, by EDA. The programmes operated by the MoESD are part of the larger strategic vision for developing entrepreneurship in Georgia. In this sense, they are also complementary to each other as there is a clear division between the economic sectors covered and the implementing agencies.

Both of the MoESD programmes are open to the general public; however, as representatives of GITA declared in the interview (Dakhundaridze, 2017), around 70% of their programme beneficiaries are young people aged 18–35[34]. **Start-up Georgia**, implemented by GITA, focuses on the area of ICT and technology and supported 55 projects for business creation in 2016 (MoLHSA, 2016a). Out of these projects, 20 were high-tech start-ups and 33 were innovative start-ups, with a total value of GEL 5 087 712. Around 80% of the total value of the programmes was funded by the state. About 114 people were employed in the high-tech start-ups and 287 people were employed in the innovative start-ups (MoLHSA, 2016a).

Produce in Georgia, implemented by EDA, has a broader focus with the purpose of developing Georgian manufactured products. Overall, 2 752 projects with a total value of GEL 243 454 000 were implemented within the Produce in Georgia programme, with a total of 12 423 people employed in the projects (MoLHSA, 2016a). The most funding in 2016 went towards industrial development programmes, where 6 350 additional jobs were created by supporting the existing SME companies. In addition, 5 000 jobs were created through micro and small business promotion programmes. Produce in Georgia also has a special subcomponent focusing on young entrepreneurs. Since the onset of this programme, 1 495 start-ups have been financed through this subcomponent, which represents about one third of their entire portfolio (Interview, Kvlividze, 2017).

Several critical issues can be discerned when it comes to analysis of the effectiveness of these two programmes. The selection process of the beneficiaries is rather passive: they announce their programmes through multiple channels (e.g. social media, local municipalities), hold open-door events and then wait for the applications. NEETs might well be omitted from their beneficiary pool, since NEETs tend not to actively follow the news and announcements or reach out for opportunities. It is also crucial to note that none of the programmes are aligned with wider employment policy in Georgia; more precisely, there is no cooperation with the SSA/ESS in the process of beneficiary selection, there is no career guidance component and there is no regular information exchange among the agencies,

[34] Both GITA and EDA define youth as those aged 18–35.

which could significantly improve the information flow to and from the LMIS, thus improving functioning of the latter.

Most importantly, the programmes lack mechanisms for tracking the success of their beneficiaries, making it impossible to estimate the impact made by the state investment. The representative of GITA notes that they closely monitor the activities of the start-up recipients; however, their contact with the beneficiaries is lost at the end of the project (interview, Dakhundaridze, 2017). They keep in touch informally and in general assess the programme outcomes positively, but there is no hard evidence showing how many of the funded initiatives are alive today. It is more or less a similar scenario in the case of Produce in Georgia. According to their 2016 annual report (EDA, 2016), each lari spent from the state budget generated GEL 10 investment and created a stimulus for issuing GEL 8 in commercial loans. Since the onset of the programme, state investment reached GEL 493.3 million, creating 10 075 jobs (EDA, 2016). However, there is no information about whether these enterprises continue to operate and how many of these jobs have been retained.

The ex-MoSYA launched a programme for **developing entrepreneurial competences among youths** in 2017, clearly targeting NEETs aged 17 to 29. The programme was launched in four pilot regions (Pankisi, Gori, Akhaltsikhe, Zugdidi) and fully funded through the state budget (GEL 57 000). It supported 35 project ideas with a total number of 185 beneficiaries. The ex-MoSYA was planning to further widen this programme to reach out to NEETs before it was merged with the MoES. The selection of programme participants is a rather scrupulous process: potential candidates undergo a theoretical course (to increase their motivation), then they develop business ideas (with the assistance of mentors), and then they undergo practical training where they have to learn how to present their business ideas. After this process, the final selection takes place and the winners are taken over by a project funded by the United States Agency for International Development: ZRDA. ZRDA is an initiative to promote entrepreneurship in Georgia and is implemented by Chemonics International in Georgia. The project helps participants to develop their business ideas into a full business venture.

Similarly, the CYDF (which operates under the MoSYA) has been running a **social entrepreneurship development programme** for a couple of years now, funding 24 social enterprises in 2016. Unlike the projects described so far, this agency has attempted to cooperate with SSA/ESS: they invited job coaches from the SSA/ESS and offered the enterprises use of their services in profiling and counselling their beneficiaries (who are primarily PwDs). However, the cooperation took place only in a few cases. As in other cases, CYDF does not carry out evaluations of the social enterprises created through their programmes and has no information about their effectiveness.

In 2015, KEDEC also implemented the **Business Development Initiative**, targeting youths in the Imereti region. Funded by the EU (EUR 38 000), it included entrepreneurship training and mini grants for business start-ups benefiting 450 young people. Another project in the pipeline is **Supporting Youth Entrepreneurship (YUTE)** which will be implemented by the SSA/ESS with a budget of EUR 111 000 from Slovak Aid. The project will target unemployed youths who are under 35 years old and who receive TSA.

3.4 Main challenges of implementing measures and good practice examples

The brief review of measures presented in chapter 3 clearly indicates that there is a large number of school-to-work transition initiatives by the state and non-state bodies. Some of them have been recently launched, while others already show some good results, as well as challenges. Policymakers and stakeholders in Georgia need to prioritise issues like coverage, targeting, efficiency and effectiveness of youth policies. While these measures have different objectives (e.g. improving access to labour market and supporting people's first work experience), there are still common bottlenecks that are worth summarising once again.

Firstly, limited cooperation with the private sector is an overarching issue. It hinders effectiveness of VET, establishment of dual and WBL programmes, and undermines the implementation of active labour market measures, as exemplified by the weak results of the state training/retraining programme. Secondly, even with a cursory look, it becomes evident that the various measures discussed are not well connected and they lack synergies that could improve overall effectiveness of the system. For instance, NGO projects (e.g. AAH/WV) are functional equivalents of the employment services offered by the SSA/ESS; nevertheless, the links between them are rather weak. Entrepreneurship support programmes are run without consideration for reaching out to vulnerable youths (e.g. NEETs) and without focusing on unemployed people/jobseekers registered with the SSA/ESS. Last but not least, monitoring and evaluation of the existing/past measures is a weak point in the system.

While many of the initiatives seem to be having a positive impact on youth employability, the absence of impact evaluations means there is no hard data to rigorously assess their efficiency and effectiveness. The results and analysis of such assessments could be of great help in further improving the design and implementation modalities of the school-to-work transition initiatives. In addition, mainstreaming and upscaling of promising projects/programmes could be the way forward.

Given these challenges, we can distinguish between some of the good practice examples discussed so far. The UNDP WBL programme (project 1 in the annex) and GIZ dual education programme (project 2 in the annex) stand out as examples of successful cooperation with the private sector. Expanding and streamlining their experiences should become a priority for state actors in the near future. The NGO sector also contributes significantly to supporting young people's first work experience. For instance, AAH Employment Shuttles (project 10 in the annex) have already shown 57% employment rate for their young graduates, something that could be scaled up by the SSA/ESS.

Last but not least, the recently launched project by the ex-MoSYA on entrepreneurial competences for youths (project 28 in the annex) deserves particular attention. Given the scarcity of formal jobs, entrepreneurship has become a buzzword in Georgia. However, the MoESD programme discussed in this chapter has less of a focus on youths. By contrast, the ex-MoSYA exclusively targets youths and reaches out to NEETs. Such a proactive approach should yield particularly positive results for vulnerable young people. In general, a more inclusive approach to policymaking is necessary to address the underlying causes of social exclusion and poverty, intergenerational transmission of poverty and social risks. With the right policies and implementation, many of these measures could become preventive actions for young people in Georgia.

4. MAIN CONCLUSIONS AND FUTURE PERSPECTIVES

This chapter presents an overview of conclusions and future perspectives related to the issues and policy measures identified on the complex process of youth transition in Georgia. The existence and availability of many measures indicates the importance public authorities give to the country's young people and their potential for future well-being. By their nature, measures may aim for prevention, reintegration or compensation. Many measures in Georgia focus on the supply side of the labour market (e.g. education, VET and employability actions) and some job intermediation and skills-matching mechanisms. There is less emphasis on the demand side of the labour market, except entrepreneurship programmes (e.g. job creation, sectoral policies and labour market regulations).

Taking into account their primary objective, existing measures are grouped into three clusters: skills development measures, POCG services, and measures for entering and staying in the labour market (see the annex). The most visible measures in Georgia concentrate on WBL programmes in the VET system, career guidance and counselling in VET, job intermediation services, and the programmes of GITA and EDA to support entrepreneurship and business start-ups. There are quite a number of NGOs providing non-formal education for youths to develop core competences, soft/transversal skills or social entrepreneurship.

4.1 Interinstitutional cooperation and labour market information

Youth transition is a cross-cutting issue for many institutions and it requires interinstitutional coordination and policy coherence. As already highlighted in the report, the issue of coordination and cooperation on youth-related policies and services across different state ministries, institutions and non-state actors requires special attention. Different state and non-state organisations provide similar services for young people, but without coordinating and cooperating with each other. Most of these services could be provided in a more efficient and integrated way if all institutions in the field coordinate/collaborate better in their work. Developing connections/referrals between the relevant public and non-public service providers in the fields of education, VET, employment, entrepreneurship and youth participation can improve the existing services, leading to better complementarity, clearer division of labour and efficient use of resources for the similar services.

Coordination will remain a challenge unless one institution functions as an interinstitutional body. An overview of the policy framework and implemented measures in the report creates the impression that 'Youth Policy' is not a recognised policy field among policymakers and it lacks the nation-wide acknowledgement that it deserves. The ex-MoSYA seems to be perceived as a fairly weak ministry and more a ministry of sports, rather than youths. As a result, it was not surprising when the ex-MoSYA was merged with the MoES at the time of writing this report in December 2017.

As of January 2018, all the functions of the MoSYA were transferred to the MoES, as a new department responsible for youth within the ministry. For some, this might be a setback for the youth-related policies and functions of the ex-MoSYA, but it could also be an opportunity to better organise the functions in relation to the education, VET, employment and entrepreneurship issues. It is not clear at this stage whether the new department of the MoES will put the draft Youth Law on the agenda and push for its adoption in Parliament. Whichever institution takes over the youth-related policies and functions, it needs to develop a more proactive approach in coordinating youth-related activities of other state and non-state actors and give the topic greater political visibility.

Availability and accessibility of labour market information for all, especially for young people, is crucial for individual citizens, employers and institutions. The information must be presented in simple

language that can be easily understood by the public and provide practical suggestions for actions. Therefore, the LMIS created and currently moved to the MoESD has a very important role to play. LMIS could undertake youth-specific studies with clear messages.

Another neglected area is developing tools to monitor and evaluate the effects of existing services and programmes on the beneficiaries, in particular on youths. Tracking beneficiaries after they have used the services is generally lacking in all types of activities provided to young people. This might be linked to the weak culture of monitoring and evaluation, but it is extremely important to measure the effectiveness and efficiency of programmes and better adjust them to the needs of young people. Tracking what happened to beneficiaries after the end of programmes can give crucial information for policymakers to improve programme design and implementation.

4.2 Youth outreach and coverage

Overall, the measures supporting youth transitions directly are quite limited. Moreover, the number of beneficiaries in the existing youth-related programmes are also very low, pointing to weak coverage and no visible impact. There is a need not only for more programmes, but also for better designs. Future youth programmes need to take into account the diversity of youth groups, with different (sometimes conflicting) needs. A particular focus is needed on the specific vulnerable youth groups, such as NEETs, early school leavers, young jobseekers without qualifications, rural/poor youths, young people with disabilities and groups with ethnic/linguistic diversity. Low self-esteem, general passivity/inactivity and poor adaptability/communication skills can lead to youths losing sight of their aspirations and motivation to work. Specific outreach and activation policies are needed for these youth groups.

Making existing services more 'youth-friendly' is another step to attract the interest of young people. Training programmes could be designed differently by including certain youth-specific elements, for example 'work preparedness training' targeting fresh graduates and first-time jobseekers. The use of mobile applications, social media networks, SMS notifications, information on professions, online career exploration tools, and attaching job/career fairs to music concerts, sport events and motor shows might attract younger and better-educated jobseekers. Youths could be engaged in peer-to-peer information services to encourage, for example, youth communication portals, role models for young people, local/regional youth initiatives and young entrepreneurs/social entrepreneurs.

4.3 Skills development measures

A number of initiatives could be taken at all levels of the formal education system in Georgia in order to better prepare youths for the transition to the labour market. Given the relatively poor results in the international quality tests such as PISA and the complaints of the Georgian employers about the types of skills gaps, the education and VET system could place greater emphasis on foundation skills, soft/ transversal skills, digital skills, foreign languages and entrepreneurial skills. It is also necessary to raise awareness among students and young people about the type of technical and transversal skills required in the labour market through more extracurricular activities.

More investment could be made to include key competences as part of the curricula in general secondary, VET and higher education. The eight key competences adopted in the EU Key Competences Framework might be relevant to consider and incorporate in the education system. The MoES has developed the concept of promoting entrepreneurial education in VET; while this is a positive development, entrepreneurial education could be launched much earlier (e.g. in secondary schools) and also continue further in higher education. More focus is also needed on the disadvantaged regions and rural areas to improve the quality of education and VET.

Particular attention could be paid to the role of VET in supporting the youth school-to-work transition by addressing issues like physical accessibility of VET colleges, dead ends in vocational education and general quality of training. As the review shows, the MoES already puts strong emphasis on cooperation with the private sector, be it in the form of dual education or WBL. However, it still lacks the concrete mechanisms for establishing sound collaboration with employers and the current system primarily relies on donor-funded projects. It is of critical importance that the policymakers, as well as donor organisations, acknowledge that dual education is not just a subject of education policy; rather, it requires changes in the functioning of the country's economic and industrial structure. In this respect, the topic could be brought to a higher political level and other relevant stakeholders, like the MoESD and MoLHSA, and social partners could be involved in this discussion if Georgia seriously considers the introduction of a dual system.

Furthermore, donors involved in this policy field need to aim at better coordination rather than taking different approaches. By doing so, they could support the MoES in creating a uniform approach with regards to WBL. Projects focusing on promoting WBL and dual education could obviously aim at engaging the industry representatives, but more importantly they could be providing MoES with a proposal of how to expand this engagement mechanism beyond the project lifetime.

Non-formal education has the potential to reach young people who left the school system as these programmes are usually more flexible, learner-centred and contextualised. The state actors active in this field (e.g. GITA, NCYC) are putting lots of effort into providing non-formal education. However, it is difficult to assess the impact and effectiveness of these measures unless regular monitoring and evaluation mechanisms are introduced. As already acknowledged, monitoring and evaluation is considered rather expensive and is largely not practised.

The absence of an overall framework on non-formal education is considered a challenge. There is no evidence on the quality of such non-formal training provided by the different state and non-state actors, nor on the concrete/tangible results of such training. Thus, the youth department of the MoES could follow up the activities and services of the ex-MoSYA and introduce mechanisms for making a youth competency framework binding for non-state actors. This would ensure the quality of service provision and increase its accessibility for young people. As for the non-state actors involved in this field, they could be encouraged to cooperate closely with the SSA/ESS and MoES so that their efforts are streamlined. Currently there are some positive examples of such cooperation, but these need to be institutionalised.

4.4 Professional orientation and career guidance services

POCG services are provided by a wide range of actors, from secondary general, VET and higher education to lifelong guidance through employment services and youth centres. As the review in the previous chapter has shown, these services are rudimentary in formal educational institutions: there are only a few secondary schools piloting the approach, only very large universities have careers centres and while each VET college has a career counsellor, the caseload of students makes it difficult for these professionals to provide full services. Moreover, good-quality and relevant career advice always requires reliable input from a well-established LMIS.

These services have only been introduced recently by the MoES and SSA/ESS, and a number of challenges have been experienced during their implementation. It is necessary to expand the scope and coverage of these services, both in educational institutions (at all levels and types) and at the SSA/ESS offices. Service expansion requires an increase in the quantity and quality of career guidance specialists, since currently there are only one or two professionals per institution. However, this could be preceded by improving the quality of service provision by providing additional training to the staff and creating/revising the necessary methodological materials. Delivery of the service could also be organised more proactively, for example through visits to firms, individuals coming to talk

about their profession, open-door days in schools, and encouraging youths to explore part-time options, internships, voluntary work and lower-paid opportunities but with high future potential.

4.5 Measures for entering and staying in the labour market

As described in the report, measures like job intermediation, internships and wage subsidy programmes face significant design flaws and limited resource allocation, both of which negatively affect their effectiveness. The SSA/ESS could consider developing a package of services rather than providing a patchwork of unconnected measures. For instance, a jobseeker could first undergo counselling and assessment, and based on the outcome of this process, it could be decided which service s/he is supposed to receive (e.g. internships, wage subsidy or training). Only after addressing these challenges could the SSA/ESS expand the scope of their activities, since the number of beneficiaries at the moment is rather limited and it cannot have a tangible effect on the significant unemployment problem facing the country.

It was noted several times in this report that many NGOs/civil society representatives are providing services which effectively speaking are 'employment services'. At the moment their connection with the SSA/ESS is rather limited. This is primarily due to the perceived weakness and low capacity of the SSA/ESS services. While cooperation between the SSA/ESS and these agencies is desirable, the issue of cooperation will remain a challenge until the SSA/ESS manages to significantly improve its image as a quality service provider. Furthermore, all the services provided by the SSA/ESS need well-defined monitoring and evaluation mechanisms and adequate human and financial resources allocated for this purpose.

Although some examples exist, the current system does not offer many opportunities for young people to gain their first work experience. In addition to WBL and apprenticeships, more young people need to be exposed to different alternatives of what makes a first work experience, such as internships, traineeships, volunteering, job shadowing, 'summer jobs' for students, and piloting self-employment and (social) entrepreneurship initiatives. Higher education institutions also have a key role in facilitating their students' first work experience. The university–industry partnerships are weakly developed and not many universities offer their students the opportunity to gain first work experience through a structured internship programme. Existing programmes (e.g. Internship in Public Service) are independently organised and do not connect with any employment service, university or private sector. As explained in the European Quality Framework for Traineeships (EU Council, 2014), a strong institutional and regulatory framework and the engagement of social partners are necessary for successful traineeship programmes to ensure a balanced mix of theoretical learning and practical, work-related experience.

The effectiveness of the employment services at the SSA/ESS offices very much depends on the availability of information regarding the labour market dynamics. While the LMIS is currently being developed, the SSA/ESS could take up the good practice of many PES in the EU and launch regular 'vacancy monitoring'. This is widely used by PES to quickly detect vacancies in their regions, from which they create a database with the numbers of vacancies by branch, region, function level, etc. This information is then used to inform the ALMP design (namely, training and retraining measures, as well as career guidance services).

Last but not least, entrepreneurship support has gained political importance in Georgia. Existing entrepreneurship support services are provided and implemented by various state agencies that have no connection with each other. The SSA/ESS neither provides entrepreneurship support within its regular employment services, nor makes any client referrals to these kinds of opportunities provided by other institutions. After the first evaluation of jobseekers, the SSA/ESS could refer suitable candidates to such programmes if there was regular information sharing and cooperation with such institutions. Except for the ex-MoSYA, no other agencies have emphasised the importance of targeting

vulnerable youths, such as NEETs. The GITA, EDA, ex-MoSYA (MoES now) and non-state actors could cooperate with the SSA/ESS at least in the form of sharing information about their programmes and beneficiaries, providing programme statistics, and accepting the candidates sent by the SSA/ESS after their evaluation.

The social entrepreneurship development programme initiated by the ex-MoSYA in 2016 is a promising opportunity to develop further. Young people can particularly benefit from social enterprise work in developing life skills and gaining a life-changing experience. It is an opportunity to acquire independence and emancipation. In the end, the importance of running regular evaluations of public- and private-funded entrepreneurship projects to understand the effect of state investment and learn from the experience should be emphasised again.

ANNEX: EXISTING MEASURES SUPPORTING YOUTH TRANSITIONS IMPLEMENTED OVER THE 2014–17 PERIOD IN GEORGIA

	Title of programme/ measure	Target group(s)	Implementing institutions	Level: national/regional/ local/sectoral	Funding: source, estimated size	Number of beneficiaries (per year if a regular activity)	Main activities/services
3.1 Skills development measures							
3.1.1 Improving initial VET through work-based learning							
1	Work-based learning in agricultural VET (ongoing)	Students in public VET agricultural colleges, during 2013–18	UNDP, 8 VET agricultural colleges, MoES, 11 private companies, in cooperation with the Georgian Farmers' Association	Regional (covers Imereti, Kakheti, Samegrelo, Samtskhe-Javakheti and Mtskheta-Mtianeti)	Swiss Agency for Development Cooperation: USD 6.4 million	40 students from 8 public VET agricultural colleges were enrolled in the first phase	Dual education in the field of cattle-breeding and fruit-growing
2	Promoting dual education in the field of winery (ongoing)	VET students, as part of the Private Sector Development Programme, in wine production, tourism and construction, 2013–18	German Federal Enterprise for International Cooperation (GIZ) in cooperation with 8 private companies, Enterprise Georgia (EDA), MoESD, MoES and 11 VET colleges	2 VET colleges: Aisi and Ilia Tsinamdzgvrishvili Community College in Kakheti and Shida Kartli Total of 11 VET colleges in 3 sectors	Regional programme (Armenia, Azerbaijan, Georgia) with EUR 30 million (from the German Federal Ministry for Economic Cooperation and Development) and EUR 5 million EU funds	22 students in 2016 Another group will be added in 2017 and the programme coverage will expand to tourism and construction sectors	Dual education programmes in the fields of winery, tourism and construction. Introducing modular teaching Offering VET students 60% practical training at the company premises and 40% theoretical training at the VET college
3	Promoting dual VET and apprenticeships in Georgia (ongoing)	Secondary school students, in 2016–17	Georgian Employers' Association (GEA) and employers' association from Mecklenburg-Western Pomerania	15 upper secondary schools (public as well as private) in Tbilisi and Gori	German Ministry of Foreign Affairs EUR 50 000	150 students from 15 upper secondary schools in 2017	Full package of professional orientation, promotion for VET and entrepreneurship options, and providing apprenticeships at private companies
4	Improving non-formal and informal VET for agribusiness (completed)	VET students in the field of agriculture Duration: 09/2015–08/2017	People In Need (PIN, Czech NGO), in cooperation with GeoWel and CTC Training companies	Imereti region	EUR 510 491 (EU grant contribution EUR 433 917)	Up to 35 students	Providing internship opportunities to VET students in agribusiness companies
5	Linking VET to labour market needs (completed)	VET and secondary school students Duration: 11/2015–10/2017	UNDP, in partnership with 2 VET colleges (Lakada in Jvari and Tetnuldi), GEA and Kutaisi Education, Development and Employment Centre (KEDEC, a local NGO)	Highlands in three regions: Samegrelo, Zemo Svaneti, Shida Kartli	EUR 555 555 (EU contribution EUR 500 000)	Up to 100 students	Provision of targeted vocational training; internships at companies

	Title of programme/ measure	Target group(s)	Implementing institutions	Level: national/regional/ local/sectoral	Funding: source, estimated size	Number of beneficiaries (per year if a regular activity)	Main activities/services
3.1.2. Providing non-formal education							
6	Youth camps (regular activity)	Secondary school students (14–18 age group) Students (14–29 age group)	National Children and Youth Centre, ex-MoSYA	Coverage – national 3 locations: Anaklia (Samegrelo region), Shaori (Imereti Region) and Manavi (Kakheti region)	State budget Annual budget: GEL 1.5 million in 2017	3 583 students in 2016 4 403 students in 2017	Sports and entertainment activities; non-formal learning and training
7	Training in IT and digital skills (regular activity)	General public (primarily youths, but no record of age groups of beneficiaries)	Georgian Innovation and Technology Agency (GITA), MoESD	Primarily in Tbilisi	State budget: GEL 955 000 for 2016	Up to 2 000 people trained in 2016	Wide range of training and educational programmes in IT, innovation and entrepreneurship for interested individuals
8	Youth empowerment programme (ongoing)	Youths aged 13–17 (secondary school students) Duration: 2015–17	World Vision Georgia (WVG)	7 municipalities in 3 regions: Imereti, Kakheti and Samtskhe-Javakheti	World Vision Germany: 12% of its annual budget (USD 5 million)	50 community clubs and 30 school clubs created Up to 1 600 youths since the launch of the programme	Non-formal learning: training in soft skills and life skills; key competences; entrepreneurial skills and mini grants to develop community projects
9	The Skills and Knowledge for Youth Economic Empowerment (SKYE) (ongoing)	Disadvantaged youths aged 18–25 Duration: 2017–20	WVG in partnership with International Charitable Foundation of the Catholic Patriarch of All Georgia	7 municipalities in 3 regions: Imereti, Kakheti and Samtskhe-Javakheti	World Vision Germany: 12% of its annual budget (USD 5 million)	100 (4 groups established so far, 25 members each)	Activation of youths and non-formal learning in the fields of active citizenship, employability, leadership and social entrepreneurship
10	Employment Shuttles in Akhmeta and Pankisi Gorge (ongoing)	Vulnerable youths, Pankisi project – 2017–19	Action Against Hunger (AAH) in partnership with the Kakheti Regional Development Fund	Local (Pankisi and Akhmeta locations in East Georgia)	Bureau of Population, Refugees and Migration, US Department of State budget: USD 140 000	Overall 48 beneficiaries, 34 of those aged 18–29	Leveraging employment initiatives and networking to build confidence among ethnicities (LINC project). Non-formal education for soft skills, visits and establishing contact with employers

	Title of programme/ measure	Target group(s)	Implementing institutions	Level: national/regional/ local/sectoral	Funding: source, estimated size	Number of beneficiaries (per year if a regular activity)	Main activities/services
11	Life Project (Livelihood Initiatives to Foster Employability of Internally Displaced People (IDPs)) (completed)	Vulnerable population (with particular focus on youths), implemented in 2015–16	AAH in partnership with Atinati, Rural Development for Future Georgia and Education for Democracy	Regional (covers Samegrelo, Shida Kartli and Tbilisi)	EU budget: EUR 1.4 million	126 participants throughout the programme duration	Non-formal learning, establishing contact with employers
12	Youth development clubs (ongoing)	Youths (15–29) with particular focus on youths with disabilities Duration: 2016–18	NGO Anika in cooperation with the Coalition for Independent Life	Tbilisi only Similar activities are carried out by the Coalition for Independent Life in the regions of Georgia for youths with disabilities	On average GBP 30 000 per year	Up to 200 young people	Non-formal learning, leadership development, transfer to VET
13	Non-formal education youth centre	Youths aged 15–29	Youth organisation called Sunny House	National	No budget info is available	In 2016, total of 1 214 youths participated in a range of training at Sunny House	Activities include training, summer camps and other events organised for and by young people Training is on peer education, leadership, civil activism, effective communication, project writing etc.
3.1.3 Delivery of continuous vocational training							
14	Employment Support Services (ESS): training/retraining (regular activity since 2015)	Jobseekers registered on worknet.gov.ge	Social Service Agency (SSA) and ESS, in cooperation with the MoES and VET colleges	National	State budget: GEL 2 million in 2016 (together with project 24 on internship)	415 people in 2015 1 804 in 2016 2 290 in 2017 Youths made up 42% of enrolments in 2016	Short-term (3 to 4 months) vocational training courses, provided by public VET colleges
3.2 Professional orientation and career guidance services							
15	Career guidance for upper secondary students (regular activity)	Students in upper secondary education	MoES, upper secondary schools	National	State budget	MoES does not produce statistics about the number of students receiving this service	Career guidance service

	Title of programme/ measure	Target group(s)	Implementing institutions	Level: national/regional/ local/sectoral	Funding: source, estimated size	Number of beneficiaries (per year if a regular activity)	Main activities/services
16	Career guidance for VET students (regular activity)	VET students (95% in the age group 15–29)	MoES, VET colleges	National	State budget	MoES does not produce statistics about the number of students receiving this service	Career guidance service
17	Career guidance for university students (regular in 4 universities)	Students in higher education	MoES, universities	Tbilisi State University, Ilia State University, Georgian American University, University of Georgia	State budget	MoES does not produce statistics about number of students receiving this service	Career guidance service
18	SSA/ESS: Career guidance (regular activity since 2015)	Jobseekers registered on worknet.gov.ge	SSA/ESS	At the moment covers only 4 regions, but will be spread nationally in the near future	State budget: GEL 676 000 in 2016 for measures 19, 20 and 25	240 beneficiaries in 2016. Youths accounted for 44% of these	Career guidance service provided to jobseekers
3.3 Measures for entering and staying in the labour market							
3.3.1 Providing employment intermediation for jobseekers							
19	ESS: Job intermediation (regular activity since 2016)	Jobseekers registered on worknet.gov.ge	SSA/ESS	National	State budget: GEL 676 000 in 2016 for measures 18, 20, 25	670 job placements in total. Share of youths was roughly 60%	Job matching and employment intermediation between jobseekers and employers
20	ESS: Job fairs (regular activity since 2015)	Jobseekers registered on worknet.gov.ge	SSA/ESS	National and regional	State budget: GEL 676 000 in 2016 for measures 18, 19, 25	No statistics are produced for this service. Share of youths roughly 60%	Job fairs organised at least once a year
21	ESS in the Autonomous Adjara region (regular activity since 2012)	Jobseekers and employers in the Autonomous Adjara region	Adjara Employment Agency located in Batumi and other district offices in Adjara	Only Adjara region	Regional government budget: GEL 830 000 in 2016 and 24 staff working on employment services	Registered 22 000 jobseekers and 1 871 companies (1 447 of them active) in the region, and facilitated 1 663 job placements in 2016	Provision of all active labour market programmes (job search and placement, training and retraining, career guidance and programmes for young people and those with a disability), employer surveys for their vacancies and training needs

	Title of programme/ measure	Target group(s)	Implementing institutions	Level: national/regional/ local/sectoral	Funding: source, estimated size	Number of beneficiaries (per year if a regular activity)	Main activities/services
22	Educate, Employ, Advocate and Legislate (EEAL) for PwDs (completed)	People with Disabilities (PwDs), vast share of which are youths Duration: 10/2015–09/2017	KEDEC	3 regions: Imereti, Adjara, Kakheti	EUR 377 981 (EU grant contribution EUR 339 708)	More than 200 PwDs employed More than 150 PwDs included in internship programmes	Advocacy, training and employment of PwDs
23	Employment for displaced youths (completed)	Internally displaced youths (implemented in 2016)	KEDEC	Imereti region	World Bank: USD 7 800	236 internally displaced youths	Advocacy, counselling and entrepreneurship training
3.3.2 Supporting the first job experience							
24	SSA/ESS: Internships (regular activity since 2016)	Individual jobseekers registered on worknet.gov.ge	SSA/ESS	National	State budget: GEL 2 million in 2016 (together with project number 14 on training)	47 beneficiaries in 2016. Share of youths 40% (19 out of 47)	Short-term internships at private companies subsidised by the state – up to maximum of 3 months and with a grant of GEL 150 per month (State Decree No 182)
25	SSA/ESS: Subsidised employment (regular activity since 2015)	Jobseekers with disabilities registered on worknet.gov.ge	SSA/ESS	National	State budget: GEL 676 000 in 2016 for measures 18, 19, 20	Data for 2016: only 19 PwDs have been engaged in the programme, 7 of them aged 15–29	50% wage subsidy for up to 4 months Maximum amount of salary to be paid is GEL 460
26	Internships in the public service (regular activity since 2014)	University students and graduates from higher education institutions	Civil Service Bureau in collaboration with public ministries and agencies	National	State budget: not available	Up to 100 each year	Internship opportunities at public institutions – see http://stajireba.gov.ge/4577
3.3.3 Support for entrepreneurship and self-employment							
27	Start-up Georgia (regular activity since 2015)	General public, majority aged 18–35	GITA, MoESD	National	State budget: GEL 11 million	55 projects were financed, 20 of which were high-tech start-ups and 33 were innovative start-ups, with total GEL 5 087 712	Start-up grants for people with innovative ideas, focusing primarily on ICT and technology

	Title of programme/ measure	Target group(s)	Implementing institutions	Level: national/regional/ local/sectoral	Funding: source, estimated size	Number of beneficiaries (per year if a regular activity)	Main activities/services
28	Produce in Georgia (regular activity since 2015)	General public, majority aged 18–35	EDA, MoESD	National	State budget: as of April 2017 GEL 386.77 million	Individuals employed through this programme in 2016: 7 619 people for 172 projects. Youth share not provided	Start-up grants for entrepreneurship development with the purpose of developing Georgian manufactured products
29	Developing entrepreneurial competences among youths (ongoing)	NEETs aged 17–29, 2016–17	MoSYA	4 regions: Pankisi, Gori, Akhaltsikhe, Zugdidi	State budget: GEL 57 000	35 project ideas with total number of 185 beneficiaries	Training in entrepreneurship, grants for business start-ups
30	Promoting social entrepreneurship in Georgia (regular activity since 2016)	Youths (15–29)	Children and Youth Development Fund, MoSYA	National	State budget: GEL 674 939 in 2016	Up to 20 enterprises funded in 2016	Grants for social entrepreneurship
31	Business development initiative (completed)	Youths (implemented in 2015)	KEDEC	Imereti region	EU: EUR 38 000	450 young people	Entrepreneurship training and mini grants for business start-ups
32	YUTE – Supporting Youth Entrepreneurship (not yet started)	Unemployed youths (aged <35) receiving targeted social assistance	SSA/ESS	National	Slovak Aid: EUR 111 000	Project in the pipeline	Entrepreneurship training and support

ACRONYMS

AAH	Action Against Hunger
ALMPs	Active labour market programmes
CYDF	Children and Youth Development Fund
CYNC	Children and Youth National Centre
EaP	Eastern Partnership
EDA	Enterprise Georgia
EMC	Human Rights Monitoring and Education Centre
EMIS	Education Management Information System
ESS	Employment Support Services
ETF	European Training Foundation
EU	European Union
EUVEGE	Technical Assistance to VET and Employment Reforms in Georgia
FES	Friedrich Ebert Foundation
GDP	Gross domestic product
GEA	Georgian Employers' Association
Geostat	National Office of Statistics of Georgia
GFA	Georgian Farmers' Association
GFSIS	Georgian Foundation for Strategic and International Studies
GITA	Georgian Innovation and Technology Agency
GIZ	German Federal Enterprise for International Cooperation
GTUC	Georgian Trade Union Confederation
ICT	Information and communication technologies
IDP	Internally Displaced Person
IHS	Integrated Household Survey
ILO	International Labour Organisation
ISCED	International Standard Classification of Education
ISCO	International Standard Classification of Occupations
KEDEC	Kutaisi Education, Development and Employment Centre
LFS	Labour force survey
LMIS	Labour Market Information System
MCA	Millennium Challenge Account
MoES	Ministry of Education and Science
MoESD	Ministry of Economy and Sustainable Development
MoLHSA	Ministry of Labour, Health, and Social Affairs
MoSYA	Ministry of Sports and Youth Affairs
NCEQE	National Centre for Educational Quality Enhancement
NCYC	National Children and Youth Centre
NEET	(Young people) Not in employment, education or training

NGO	Non-governmental organisation
OECD	Organisation for Economic Cooperation and Development
PES	Public Employment Service
PIRLS	Progress in International Reading Literacy Study
PISA	Programme for International Student Assessment
POCG	Professional Orientation and Career Guidance
PPP	Public–private partnership
PwDs	People with disabilities
SKYE	Skills and Knowledge for Youth Economic Empowerment
SME	Small and medium-sized enterprises
SSA	Social Services Agency
TSA	Targeted Social Assistance
UNDP	United Nations Development Programme
UNESCO	United Nations Educational, Scientific and Cultural Organisation
UNFPA	United Nations Population Fund
UNICEF	United Nations Children's Fund
VET	Vocational education and training
WBL	Work-based learning
WVG	World Vision Georgia
YDI	Youth Development Index

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