



INTEGRATED SDG INSIGHTS

GEORGIA

This initiative supports the articulation of national commitments to SDG transformation, towards accelerated SDG action in the second half of the 2030 Agenda.



HOW TO READ THIS REPORT



Integrated SDG Insights provides an overview of a country's economic growth trajectory, highlighting potential conflicts between growth, environmental concerns, and societal well-being (referred to as the **SDG Moment**).



It builds from the foundation of national SDG progress through the lens of the 5Ps and uses machine learning to analyse national development ambition with an SDG lens (**SDG Trends & Priorities**).



Combined, these insights are mapped against SDG interlinkages to define policy choices that accelerate SDG progress, tailored to national context (**SDG Interlinkages**).



These policy choices are made against fiscal constraints and opportunities for stimulus to ensure choices translate to development impact and leave no one behind (**Finance & Stimulus**).

SDG MOMENT: GEORGIA

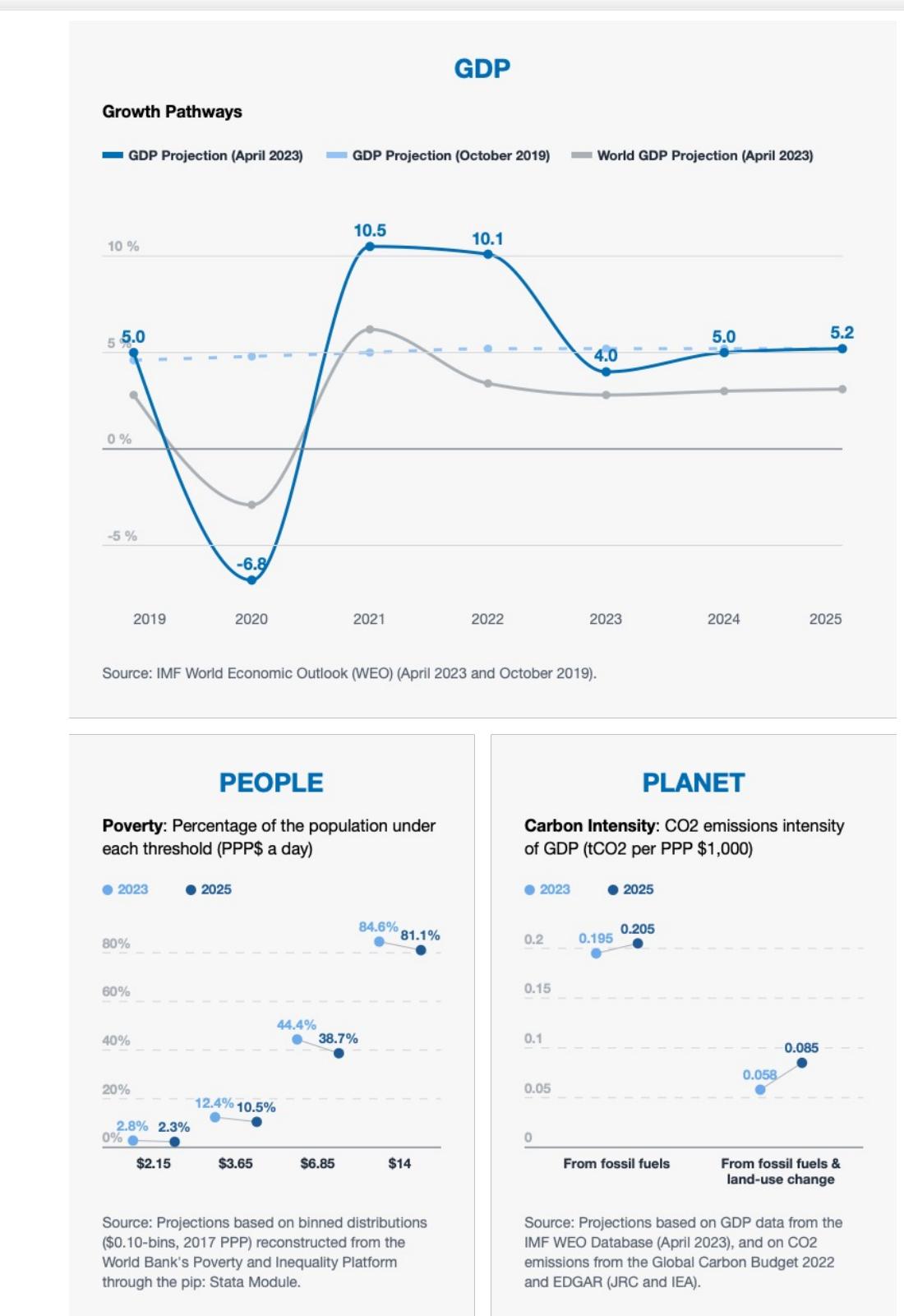
While economic growth is a key element in achieving the SDGs, many countries are intent on moving beyond growth as a yardstick for progress. In the short run, growth enables the SDGs; but in the long run, the SDGs aim to transform the pattern of growth itself.

Georgia's pace of growth during the cycle 2023-2025 is transitioning to an acceleration phase, projected to be 58% higher, on average, than that of the world, and aligning to the country's growth trajectory forecasted before the pandemic thanks to the very sharp v-shaped recovery in 2021-2022.¹ Accordingly, Georgia's commitments to achieving the SDGs are focused on increasing people's well-being.

This pace of growth is expected to contribute to the reduction of poverty, though there are still some distributional challenges to accelerate progress, especially from the relatively high prevailing poverty level at \$6.85 a day (MIC line). National poverty rate poverty went down from 21.3% in 2020 to 17.5% in 2021 and further dropped to 15.6% in 2022. Georgia's economic expansion, on the other hand, comes at the expense of the environment, as the country's carbon emissions intensity of GDP is expected to increase at an annual rate of 2.6% due to fossil fuel usage, and of 22.5% when also considering land-use change.²

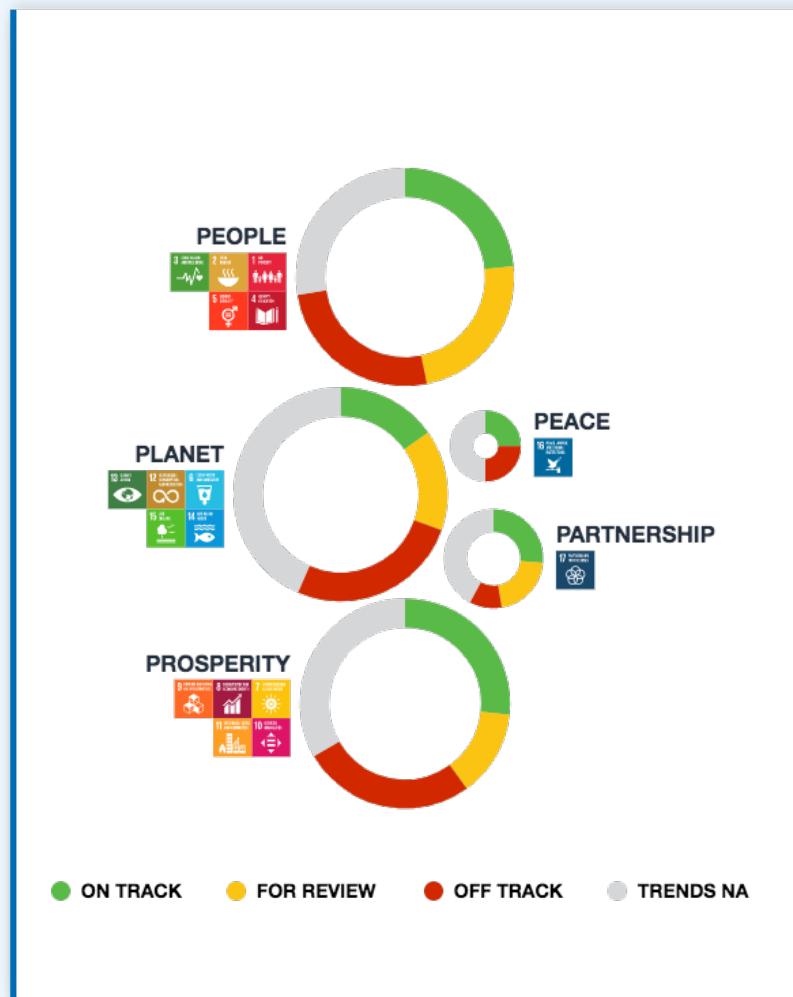
¹ The economic cycle is determined by adjusting the country's current GDP growth forecasts (April 2023) by their gap relative to the forecasts made before the pandemic and subsequent crises (October 2019). If the adjusted rates (not shown) are below 2%, the economy is considered in mitigation; it is coping if the adjusted rates range between 2%-4%, and it is in acceleration if they are above 4%.

² CO2 emissions intensity of GDP is computed as tonnes of CO2 per \$1,000 (2017 PPP).



SDG TRENDS

Understanding how Georgia performs against the SDG targets provides a baseline landscape against which to build integrated SDG pathways. SDG progress tracking follows UN Stats standards and methodology, and is aligned with country profiles.



Trends in detail:

<https://data.undp.org/sdg-push-diagnostic/GEO/sdq-trends>

National Platform:

<https://sdg.gov.ge/intro>

SDG PRIORITIES

Georgia's national priorities are analysed using machine learning to reveal the most prominent SDGs referenced in national policy documents. This analysis uses a custom-built model for SDG classification. It considers 100k+ terms, including phrases and expressions.



Key documents for analysis:

1. Vision 2030 Development Strategy of Georgia
2. Government of Georgia: Program for 2021- 2024
3. VNR 2020
4. Agriculture and Rural Development Strategy of Georgia 2021–2027
5. Georgia's 2030 Climate Action Strategy
6. 2021-2023 Action Plan of Georgia's 2030 Climate Strategy
7. National Strategy for the Protection of Human Rights

Priorities in detail:

<https://data.undp.org/sdg-push-diagnostic/GEO/current-priorities>

SDG INTERLINKAGES

SDG Interlinkages reveal how actions directed towards one SDG can impact others. Uncovering and understanding these interactions can help Georgia to achieve the 2030 Agenda and navigate trade-offs.

Based on a global framework for interlinkages, Georgia's SDG progress is color coded at the target level.

Building from national priorities, the following pathways reflect policy investments with the most potential to accelerate the SDGs for Georgia:

- Target 2.3: Double the productivity and incomes of small-scale food producers
- Target 4.3: Equal access to affordable technical, vocational and higher education
- Target 8.6: Promote youth employment, education and training
- Target 9.2: Promote inclusive and sustainable industrialization
- Target 10.4: Adopt fiscal and social policies that promotes equality



ACCELERATION PATHWAYS



SDG INTERLINKAGES

2.3: By 2030, double the agricultural productivity and incomes of small-scale food producers, in particular women, indigenous peoples, family farmers, pastoralists and fishers, including through secure and equal access to land, other productive resources and inputs, knowledge, financial services, markets and opportunities for value addition and non-farm employment

SDG 2.3 aims to double the agricultural productivity and incomes of small-scale food producers in Georgia by 2030. Currently, the agricultural sector in Georgia accounting for 7% of GDP and employing 18% of the total employment and provides livelihood---directly or indirectly—to 40% of population living in rural areas. However, small-scale food producers face challenges such as limited access to land, financial resources, and markets, hindering their productivity and incomes (1, 8).

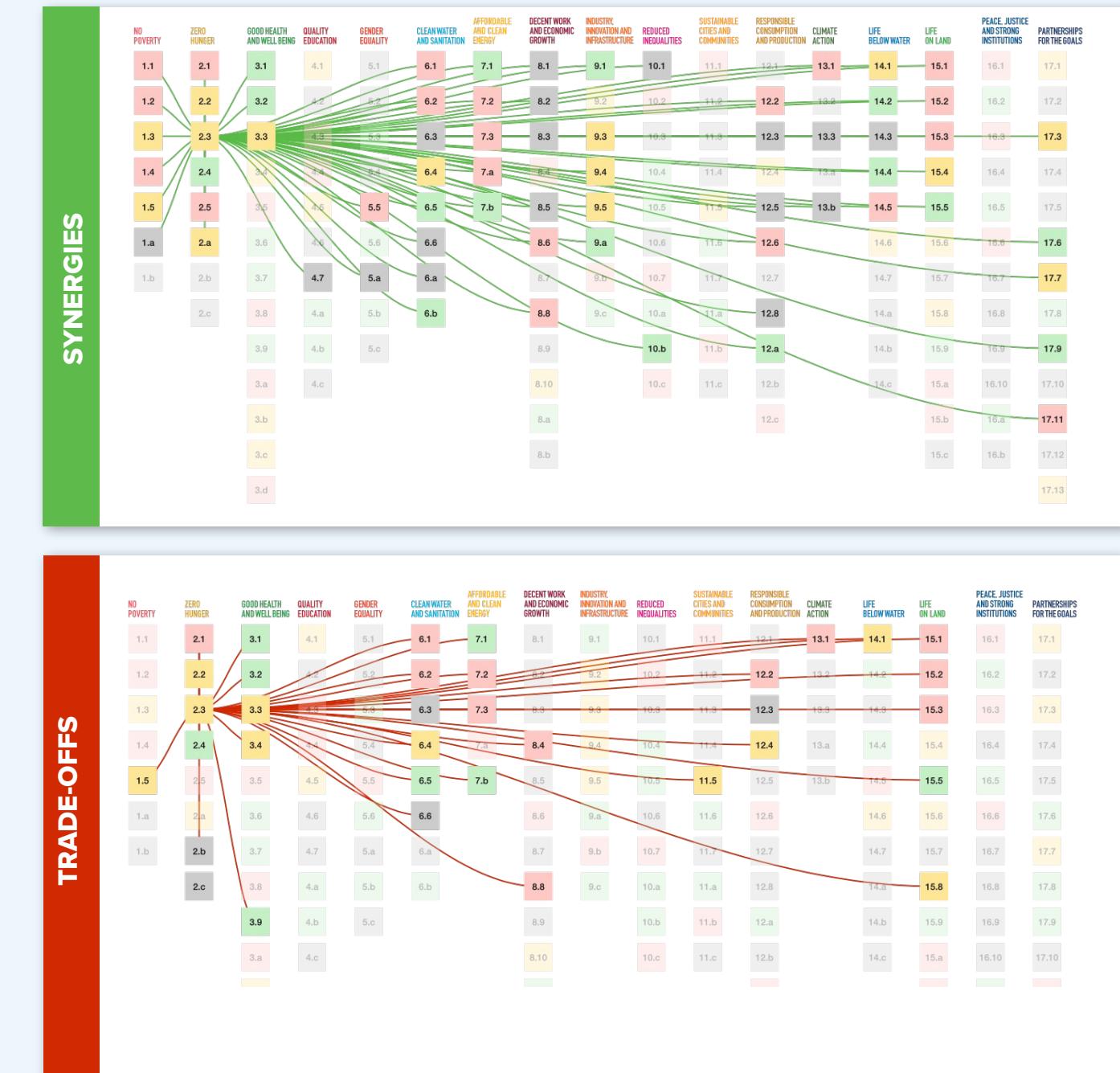
A structural shift is needed to reduce the share of people employed in low-value added agriculture and increase the share in more productive sectors (which is closely related to targets 4.3 and 9.2 which can be advanced effectively as an integrated portfolio). Balancing these tradeoffs requires addressing systemic barriers, promoting gender equality, including by ensuring women's full and effective participation in decision-making (5.5), and women's equal rights to access and control resources (1.4, 5.a), providing technical support and training, and creating an enabling environment for small-scale food producers to thrive.

● ON TRACK

● FOR REVIEW

● OFF TRACK

● TRENDS NA



Explore the interlinkages at:

<https://data.undp.org/sdg-push-diagnostic/GEO/synergies-and-tradeoffs>

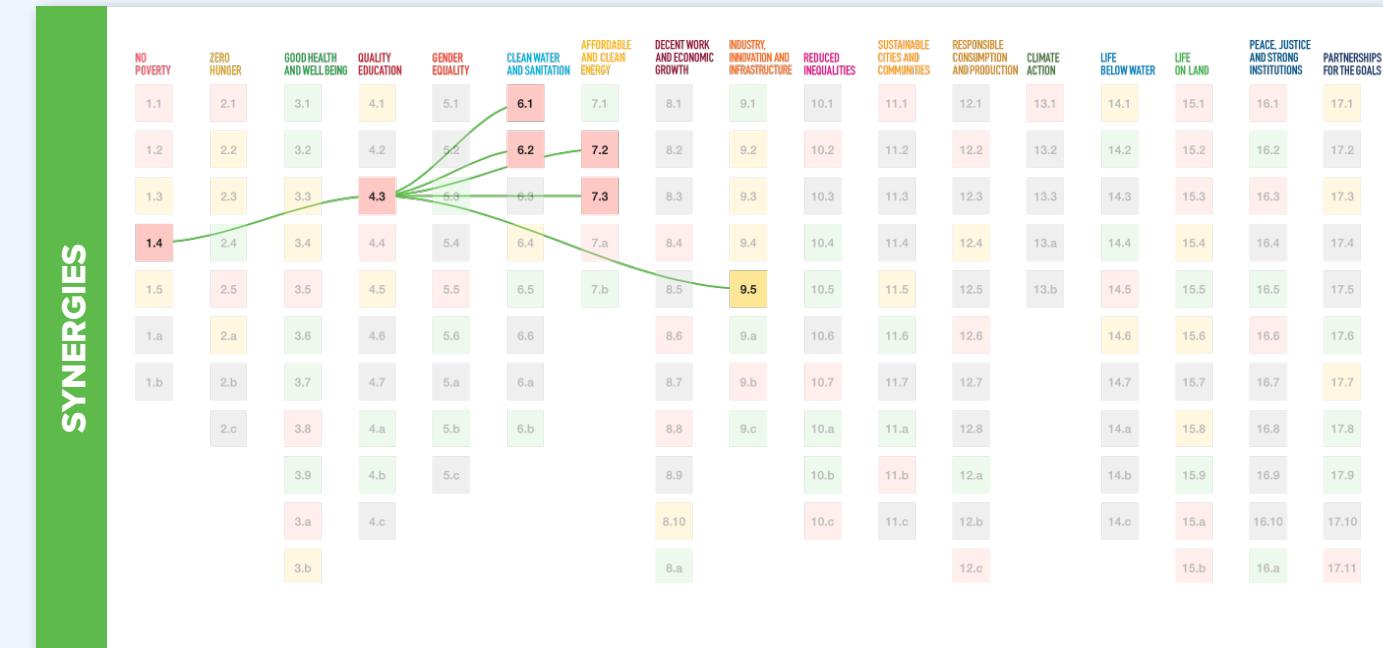
SDG INTERLINKAGES

4.3: By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university

In Georgia, SDG target 4.3 aims to ensure equal access to quality technical, vocational, and tertiary education. Georgia shows quite high 15.6 expected years of schooling in 2021 and high upper secondary education completion rate (which was around 92% over past decade).

SDG target 4.3—which is off track currently—has important interlinkages with other SDGs, especially Goal 8 through improving employability, reduced skills mismatch, and ensuring future-readiness of the people in the workforce, and ultimately reduced poverty (1). This will promote equal access to labour market for women/girls and men and further empowerment of women to participate into the local labour market (5.5), including by enhancing their access to STEM and ICT education (5.b). Quality technical education will equip individuals with skills aligned with labour market demands, fostering decent work and economic growth (8). Ultimately, equal access to technical education will reduce inequalities, empowering marginalized groups and promoting social inclusion (10).

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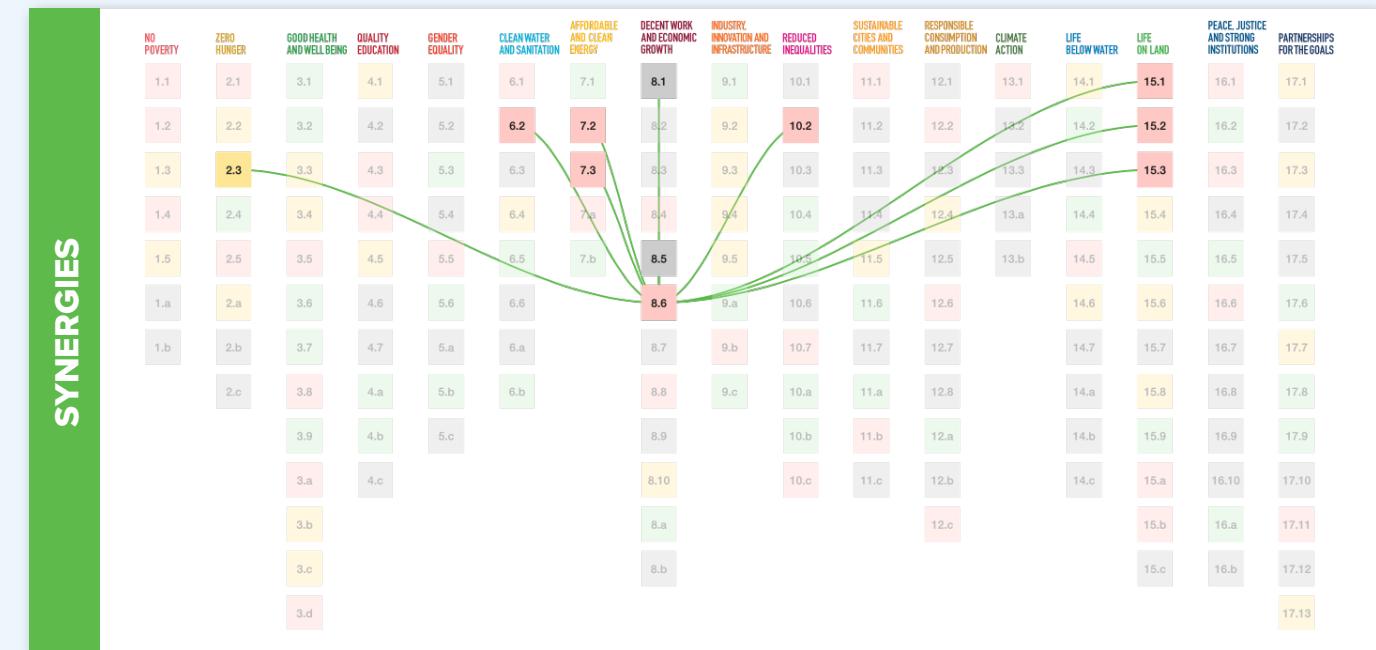
SDG INTERLINKAGES

8.6: By 2020 substantially reduce the proportion of youth not in employment, education or training

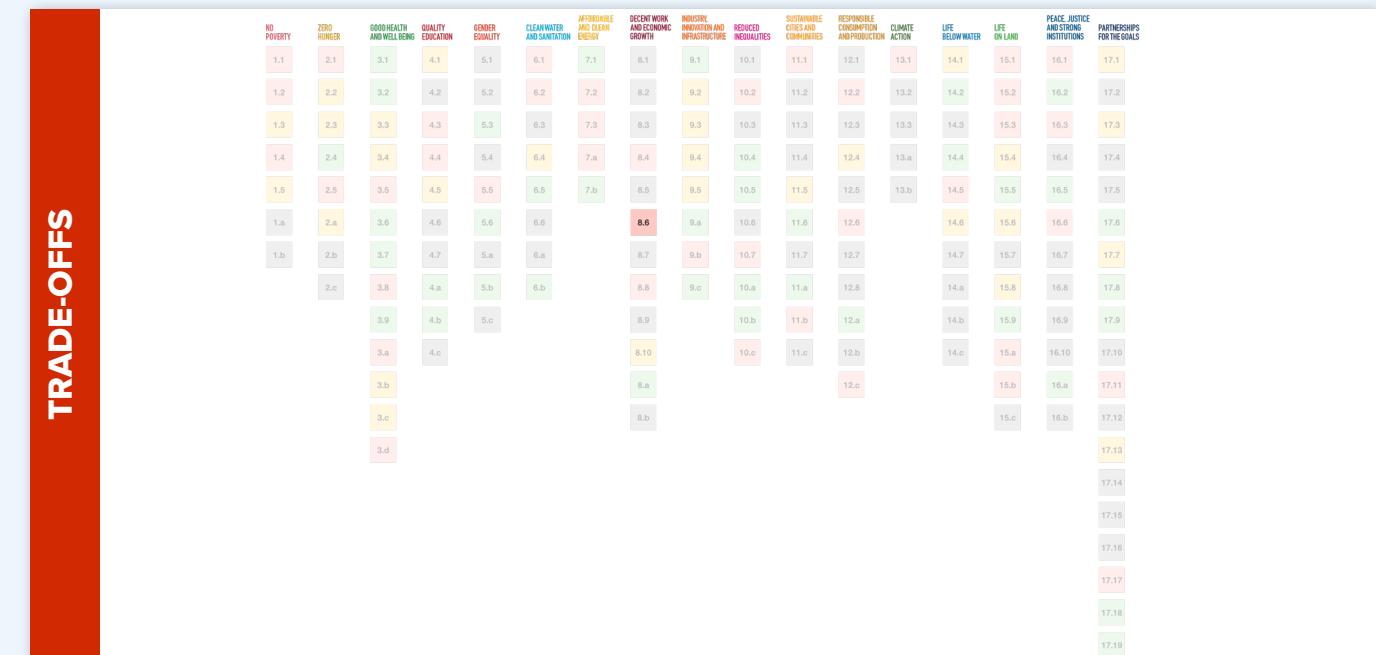
In Georgia's context the SDG Target 8.6 aligns with the goal of reducing poverty. By promoting decent work, Georgia can contribute to poverty reduction by providing individuals with opportunities for sustainable income generation and economic empowerment. Youth empowerment and participation (16) are an essential condition for reduction of NEET. Decent work contributes to longer-term economic growth and development.

By promoting employment opportunities with fair wages, job security, and social protection (10), enhancing women's empowerment in ICT (5.b) and access to decision-making positions (5.5), Georgia can create a more productive workforce, increase household incomes, in particular women-headed that were highly affected by the COVID 19 crises and repercussions of the war in Ukraine, and stimulate economic activity.

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SYNERGIES



TRADE-OFFS

SDG INTERLINKAGES

9.2: Promote inclusive and sustainable industrialization, and by 2030, significantly raise industry's share of employment and gross domestic product, in line with national circumstances, and double its share in least developed countries

SDG 9.2 aims to foster inclusive and sustainable industrialization in Georgia while simultaneously enhancing its economic growth (8). Despite recent improvements, manufacturing value added as a proportion of GDP and per capita remains relatively low in Georgia (around 8.5% in past decade, according to UNSTAT). Here, emphasis should be given on increasing of more productive economic activities, including in manufacturing sector.

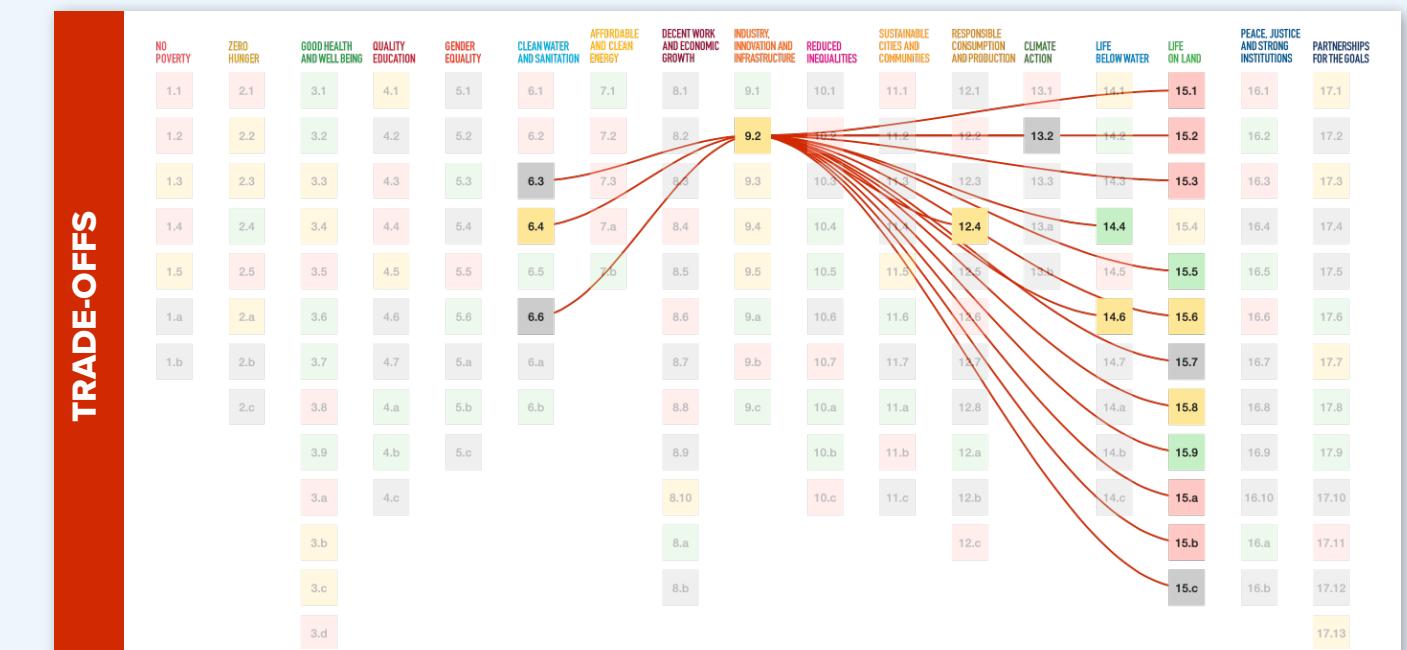
However, the pursuit of industrialization also entails tradeoffs. It requires careful consideration of environmental sustainability, as industrial activities can have adverse ecological impacts—affecting ecosystems (15, 2), potable water (6), health of people (3). Rapid industrialization could put pressure on energy access (7.1) at the expense of energy sustainability (7.2, 7.3). Ensuring inclusivity in this process is crucial to prevent potential social, gender, and territorial inequalities (10, 5, esp. 5.5)

● ON TRACK

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● TRENDS NA



Explore the interlinkages at:

<https://data.undp.org/sdg-push-diagnostic/GEO/synergies-and-tradeoffs>

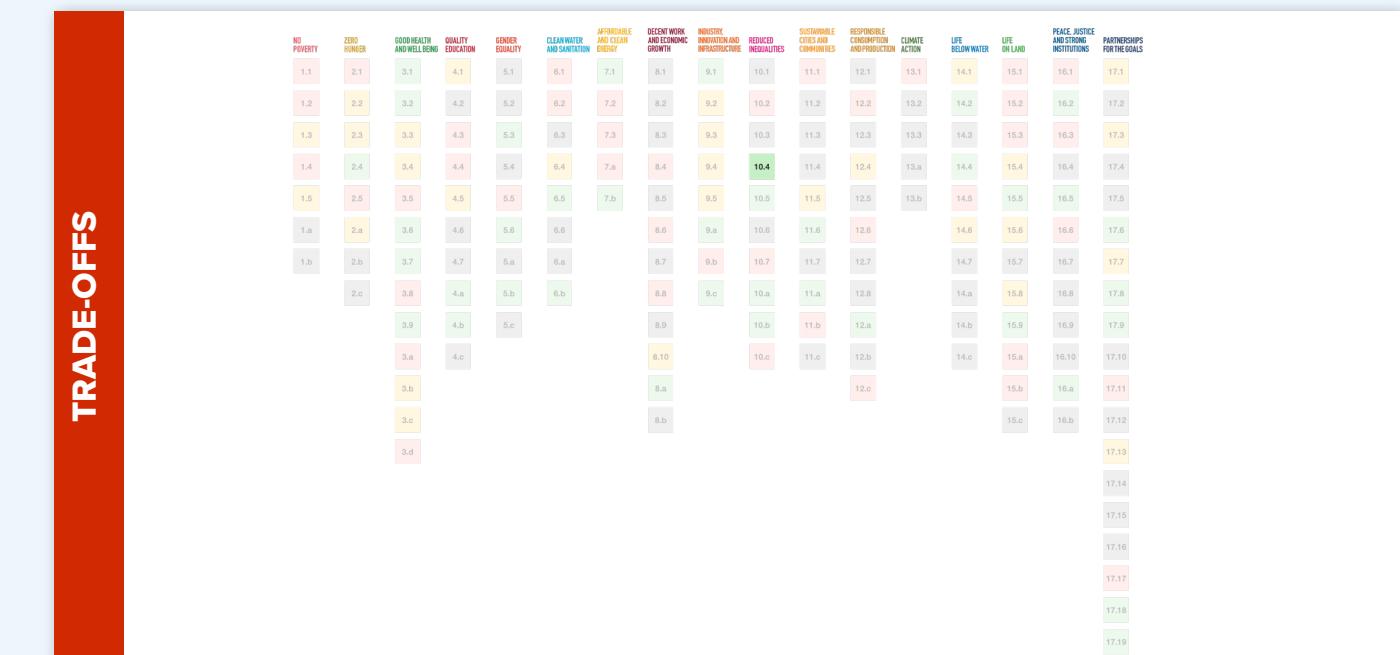
SDG INTERLINKAGES

10.4: Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality

SDG 10.4 calls for the adoption of policies to progressively achieve greater equality in Georgia. Achieving SDG 10.4 has synergistic links with various other SDGs, such as SDG 1 (No Poverty), SDG 3 (Good Health and Well-being), and SDG 8 (Decent Work and Economic Growth), as reducing inequality contributes to poverty eradication, improves health outcomes, and sustainable economic development. SDG 10.4 also intrinsically linked with greater gender equality and women empowerment (5, in particular 5.1, 5.4, 5.5, 5.b).

However, pursuing greater equality may require tradeoffs in terms of fiscal adjustments and resource allocation (SDG 17).

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Explore the interlinkages at:

<https://data.undp.org/sdg-push-diagnostic/GEO/synergies-and-tradeoffs>

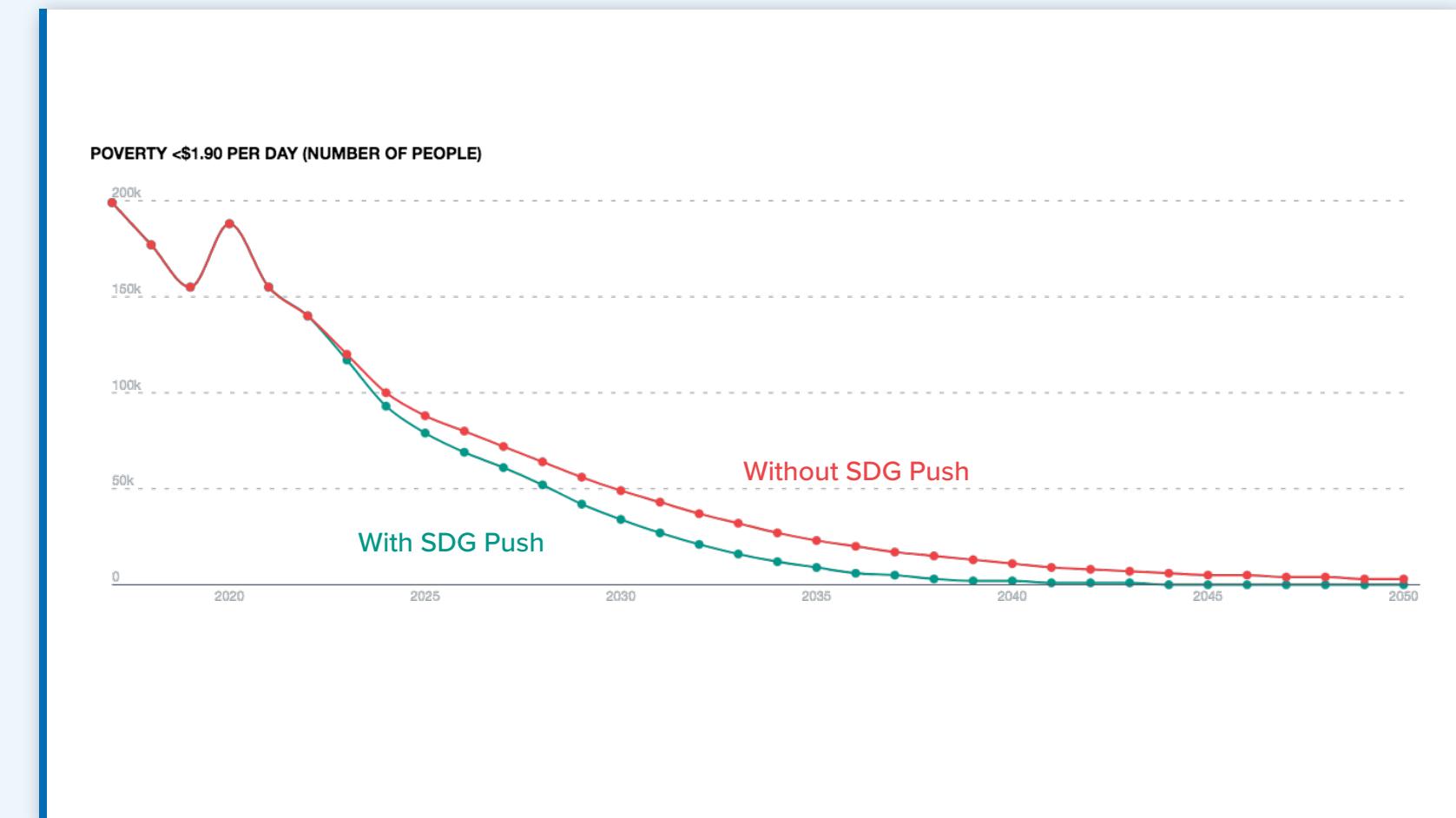
THE SDG PUSH - FUTURES SCENARIOS

Achieving the SDGs is possible.

The ‘SDG Push’ is a futures scenario based on 48 integrated accelerators in the areas of Governance, Social Protection, Green Economy and Digital Disruption. It uses national data to explore the impact on human development by 2030 and by 2050 across key SDG indicators.

Incorporating ‘SDG Push’ accelerators into development interventions in Georgia can reduce the number of people living in poverty over time.

People living in poverty	By 2030	By 2050
Without the SDG Push	49,000	3,000
With the SDG Push	34,000	0



Explore SDG Futures Scenarios at:

<https://data.undp.org/sdg-push-diagnostic/GEO/future-scenarios>

FINANCE & STIMULUS

Many countries are facing reduced fiscal space, high debt levels, rising interest rates and downgrades on credit ratings. Fiscal and financial constraints tend to slow or even reverse SDG progress.

The radar diagram shows low frequency data points linked to government revenue and debt as a proportion of GDP as well as the natural resource share of total revenue. The financial indicator graphs show external debt servicing relative to revenue as well as the country's sovereign credit rating.

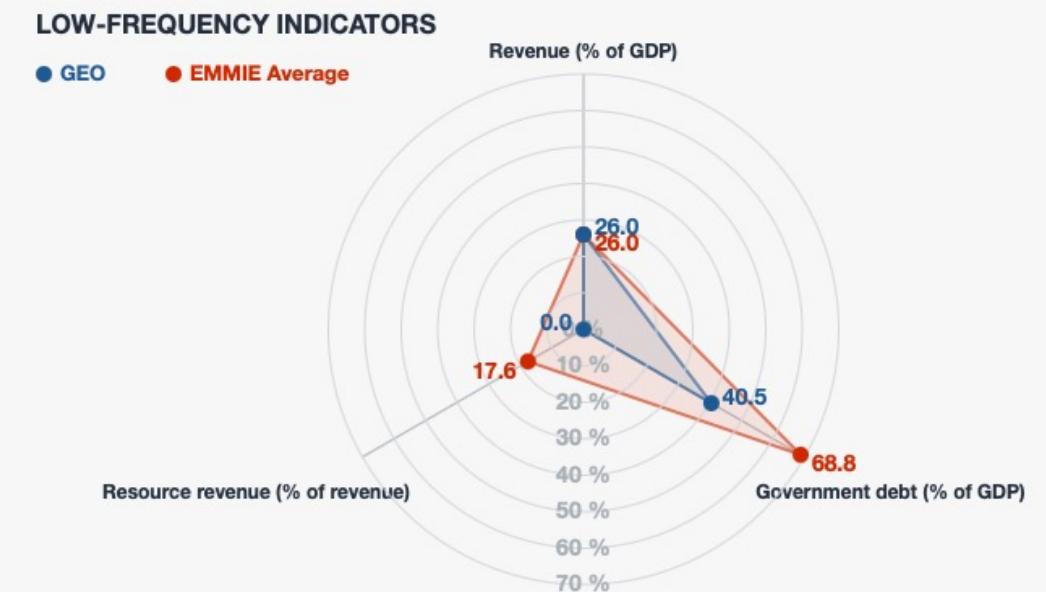
Georgia's gross government debt is expected at 40.5% of GDP in 2023 and thus 28.3 percentage points (pp) below the emerging market and middle-income economies (EMMIE) average of 68.8%. The country is expected to collect 26% of GDP in revenue this year, equal to the EMMIE group.

Georgia's public external debt servicing relative to revenue, at an estimated 7.6% in 2023, is about two thirds of the EMMIE group's 12.3%. As the average EMMIE country, Georgia's credit rating is assessed as 'non-investment grade' but above the average by almost a full notch.

Policy Development and Coordination System of Georgia is based on the Rules of Procedure for Development, Monitoring and Evaluation of Policy Documents, approved by the government decree. The system rests on three main principles of Good Governance: Evidence-based policy making; Results-based management; Whole of Government approach.

Georgia is aligning its national policies with the SDGs, transforming each of its commitments into a specific policy outcome. Government of Georgia have developed a solid methodological foundation for policy planning system, which fully integrates SDGs into national policy planning process and contribute to successful implementation of its objectives. According to the new standards of policy planning not only any of the newly adopted strategic documents must be drafted having in mind the linkage with the SDGs, but also goals that are listed in the logical framework should be connected with the Agenda 2030 commitments.

On September, 2022, the Government of Georgia adopted the Vision 2030 – Development Strategy of Georgia which is a supreme nation-wide policy document. Strategy covers the key priorities of the nation-wide development by 2030 and fully complies with the Sustainable Development Agenda of the United Nations.



Notes: External debt covers public and publicly guaranteed debt. The EMMIE average of resource revenue (% of revenue) includes the 60 countries that reported data for that indicator. The credit rating shows the numerical average of S&P's, Moody's, and FITCH's ratings, expressed in S&P's scale in brackets.

Sources: UNU-WIDER GRD (resource revenue, data from 2020), IMF WEO April 2023 (debt and revenue, forecasts for 2023), IDS (external debt, data from 2023), S&P, Moody's and FITCH (credit ratings, data from 2023).

SDG STIMULUS

The UN Secretary General's SDG Stimulus Plan lays out a blueprint for action within the existing financial architecture. It includes:

- Providing liquidity to support recovery in the near term
- Enhancing debt relief for vulnerable countries
- Expanding development financing by MDBs
- Aligning financial flows with the SDGs and the Paris Agreement, according to country-level priorities and needs, for example through the roll-out of the UN Integrated National Financing Framework (INFFs).

Given the projected fiscal and financial needs of Georgia possible financing options for the investments derived from the identified interlinkages are:

- Strengthen the linkages between budget and policy development by integrating the SDG tagging system within the Public Financial Management (PFM). This integration will be achieved using policy classifiers to establish direct tags between budget programs and different policy directions, including SDG targets, consequently presenting the fiscal impact of SDGs in the budget documentation.
- Mobilizing the private finance for SDGs, including in the context of UNDP's 1 trillion Moonshot
- Climate public finance initiatives (like EU4Climate) to contribute to the wider Green financing stimulus
- Tax4SDG component on Tax Inspectors Without Borders

United Nations
Secretary-General's
SDG Stimulus
to Deliver
Agenda 2030

FEBRUARY 2023



METHODOLOGY

Click [here](#) to view the Methodological Note for the Integrated SDG Insights



SDG MOMENT

Methodology

Assesses challenges and opportunities in national growth trajectories with insights on environmental sustainability and inclusiveness.

Data Sources

Future trajectories to 2025 are based on IMF-WEO GDP projections, distributions of per capita income or consumption from the World Bank, and CO₂ emissions from the Global Carbon Budget 2022 and EDGAR (JRC and IEA).



TRENDS & PRIORITIES

Methodology

SDG trends tracks progress from 2015 to date for the 231 indicators. National priorities are analysed using machine learning to reveal the most prominent SDGs referenced in national policy documents.

Data Source

Trends utilizes official [UN statistics](#) to assess [SDG progress](#), supplemented with national data when available. Priorities uses a custom-built model for SDG classification. The policy documents analyses are provided by Governments.



INTERLINKAGES

Methodology

Global target-level interlinkages are drawn from the [KnowSDGs Platform by European Commission](#). SDG interlinkages were retrieved through a structured literature review in Scopus and Google Scholar to tap both grey literature and peer-reviewed publications as a source of information.

Data Source

The exercise globally considered a total of 454 documents published from 2015 to August 2022. ([Miola et al., 2019](#) updated in [2021-2022](#))



FINANCE & STIMULUS

Methodology

Provides insight into indicators of fiscal and financial stress with options (INFF) for stimulus and other means to accelerate progress.

Data Source

Most recent resource data from UNU-WIDER GRD (between 2018 and 2021), debt and revenue from IMF WEO (between 2020 and forecasts for 2023), external debt from IDS (2023), yields from Haver Analytics (8 June 2023), credit ratings from S&P, Moodys and FITCH (2023), and DSA ratings from World Bank/IMF (31 May 2023).