Folder Title:	President Wolfensohn - Briefing Book for President's Meetings and Events - Eduard Shevardnadze - President of the Republic of Georgia - July 18, 1997
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Meeting: Mr. Eduard Shevardnadze,
President of the Republic of Georgia

Friday, July 18, 1997
9:00 - 9:30 a.m.
MC11-127 Conference Room

Archive Management for the President's Office

Document Log

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A. CLASSIFICATION

- [x] Meeting Material
- [ ] Trips
- [ ] Speeches
- [ ] Annual Meetings
- [ ] Corporate Management
- [ ] Communications with Staff
- [ ] Phone Logs
- [ ] Calendar
- [ ] Press Clippings/Photos
- [ ] JDW Transcripts
- [ ] Social Events
- [ ] Other

B. SUBJECT:	**DATE:** 07/18/97
MEETING: MR. EDUARD SHEVARDNADZE, PRESIDENT OF THE REPUBLIC OF GEORGIA (B) N) VENUE: MC 11-127 (CONF. ROOM) CONTACT: MR. STEK - MARJOLEIN @ 82052 IN ATTENDANCE: JDW, STEK, KOCH-WESER, LINN, M. THOMAS FOR IFC, HANY DELEGATION ATTENDEES: MR. EDUARD SHEVARDNADZE, PRESIDENT Mr. Irakli Menagarishvili, Minister of Foreign Affairs Mr. Merab Adeishvili, Minister of Transport Mr. David Zubitashvili, Minister of Fuel and Energy Mr. Mikhail Chkuaseli, Minister of Finance Mr. Temur Basilia, Assistant to the President for Economic Reform Mr. Petre Chkheivce, Ambassador of Georgia to the United Nations Mr. K. Zaldastanishvili, Minister of Foreign Economic Relations and Trade Mr. G. Charkviani, Adviser to the President on Foreign Relations Mr. A. Gegeshidze, Head of Foreign Policy Analysis Department, State Chancellery Mr. V. Abashidze, Press Secretary to the President Mr. G. Chanturia, President of the Georgian International Oil Company Mr. Z. Chankotadze, Head of Air Transport Department Mr. Tedo Djaparidze, Ambassador of Georgia, Washington, D.C., Interpretor Mr. N. Porchkhidze, Interpreter Mr. Pieter Stek, Executive Director NOTE: ITEM CONFIRMED BY ED'S OFFICE ON 7/7 - NOTICE SENT (B) BY LINN // DUE: MONDAY, JULY 14 (M) BY LINN // DUE: FRIDAY, JULY 25 EXC: HA // ALI (6/27) (7/7) Brief includes cover note and tabs: - Lending Portfolio - Georgia At-a-Glance - IFC Brief	

C. VPU

Corporate
- [ ] CTR
- [ ] EXT
- [ ] LEG
- [ ] MPS
- [ ] OED
- [ ] SEC/Board
- [ ] TRE

Regional
- [ ] AFR
- [ ] EAP
- [ ] ECA
- [ ] LAC
- [ ] MNA
- [ ] SAS

Central
- [ ] CFS
- [ ] DEC
- [ ] ESD
- [ ] FPD
- [ ] FPR
- [ ] HRO

Affilliates
- [ ] GEF
- [ ] ICSID
- [ ] IFC
- [ ] Inspection Panel
- [ ] Kennedy Center
- [ ] MIGA

D. EXTERNAL PARTNER

- [ ] IMF
- [ ] UN
- [ ] MDB/Other IO
- [ ] NGO
- [ ] Private Sector

- [ ] Part I
- [ ] Part II
- [ ] Other

E. COMMENTS:

File Location	Cleared By	Date:
[x] EXC [ ] IISC [x] Archives	Hany Assaad	07/18/97

View Update History

Criminal Activities

GEORGIA

Key Points

Corruption.

Our Issues:

- **Strengthen Public Finances**: Weak tax revenue performance (approx. 9% of GDP) jeopardizes stabilization. Improvements in tax and customs administration critical. Shift expenditures towards social sectors and poverty alleviation.
- **Deepen Energy Sector Reforms**: Further electricity tariff adjustments needed. Improve collections,. Implement phased privatization of distribution and generation companies.
- **Maintain Strong Project Implementation**: Rapidly expanding and complex project portfolio. Good implementation performance to-date -- continue this. Factor counterpart funding into their budget preparation and execution.

Their Issues:

- **Request for Increased Bank Group Resources/Lending**: Want IBRD eligibility to allow larger borrowing. Also request greater involvement of IFC and MIGA.

IBRD creditworthiness to be re-examined mid 1998. Positive outcome depends on strong performance in growth, exports, public finances and staying current on debt servicing. IFC/MIGA involvement also likely to expand.

- **Second Structural Adjustment Credit (SAC II)**: Request to expedite Board processing (scheduled of October 1997). Also request front loading -- $40m of the total amount of $60m. requested on credit effectiveness -- this is critical to meet 1997 budget requirements and is supported by the IMF.

Senior management will consider the request. In principle, the Region thinks it will be possible to front load.

- **Oil-Pipelining Financing**: Request Bank support of the second phase Caspian Oil export pipepline transiting Georgia.

Bank-financed TA credit of feasibility study and negotiations advice presently being implemented. Willing to consider Bank Group (including IFC) involvement in catalyzing private sector financing -- guarantees, etc.

- **Legal and Judicial Reform**: Request Bank assistance -- a high priority area for Georgia, in part to combat corruption.

Envisage Bank support for this in forthcoming TA credit. Bank mission presently in the field.

- **Senior Management Visits**: May request visit by you and/or Regional Vice President.

Johannes Linn expects to visit this October.

BRIEFING FOR MR. WOLFENSOHN'S MEETING WITH PRESIDENT SHEVARDNADZE
FRIDAY, JULY 18, 1997, 9:00 A.M.

Meeting participants:

Georgia
- Mr. Eduard Shevardnadze, President
- Mr. Temur Basilia, Senior Advisor to the President
- Mr. Mikhail Chkuaseli, Minister of Finance
- Mr. Irakli Menagarishvili, Minister of Foreign Affairs
- Mr. David Zubitashvili, Minister of Fuel and Energy
- Mr. Merab Adeishvili, Minister of Transport
- Mr. Tedo Djaparidze, Ambassador of Georgia
- Mr. Pieter Stek, Executive Director

World Bank
- Mr. Caio Koch-Weser, Managing Director
- Mr. Johannes Linn, Vice President ECA
- Ms. Maria Thomas, Investment Officer, IFC
- Ms. Judy O'Connor, Director for Georgia and Armenia
- Mr. Joseph Owen, Resident Representative

- President Shevardnadze is making his first official visit to the United States as President of Georgia. He will be meeting President Clinton, key U.S. administration officials, and IMF Deputy Managing Director Fisher.

Key Issues for Discussion

President Shevardnadze is likely to raise the following issues:

- Resource Availability & IBRD Eligibility - Georgia's resource needs are in excess of what the Bank Group (FY98-00 IDA allocation: $200 million), the IMF, and other donors are likely to contribute. The President is likely to argue that additional financing on IDA terms and an early positive decision on IBRD eligibility are critical also as a signal for FDI.
- Adjustment Lending - The President will request that preparation of the proposed $60 million Second Structural Adjustment Credit (SAC II) be completed rapidly to meet urgent expenditure needs. He will explain that the reform measures supported by the first SAC have been implemented successfully, and that the Government has taken most measures (privatization, regulatory framework for energy sector) necessary to secure rapid Board approval of SAC II. He will argue that the $60 million credit should be front-loaded, with $40 million on effectiveness to meet the funding requirements of the 1997 budget (a suggestion supported by the IMF).
- Oil Transport - Georgia is trying to become a transit country for the large-scale oil exports from the Caspian Region. The first exports will be made by a consortium (AIOC) exploiting off-shore deposits in Azerbaijan. AIOC is already building a first line through Georgia for the transport of the early oil to the Black Sea. Mr. Shevardnadze is very keen to have the follow-up large-scale oil export pipeline go through Georgia. He is very likely to ask what kind of financing can be expected from the Bank Group.
- Legal & Judicial Reforms - Mr. Shevardnadze is giving high priority to legal and judicial sector reforms, in part to combat corruption, and is likely to request Bank assistance.

You might want to respond as follows:

- Resource Availability & IBRD Eligibility - The Bank is aware of Georgia's difficult external financing situation. IDA resources allocated to Georgia have been comparatively high ($100 million a year over the last three years, or over $20 per capita per year) but are constrained to about $70 million a year for the FY98-00. IBRD lending to date has been restricted due to creditworthiness considerations, more specifically: a large stock of accumulated debt ($1 billion contracted in 1991-1993); low tax revenues; and unresolved civil conflicts (Abkhazia). Based on Georgia's solid reform record, its successful economic growth performance since 1995, and on improvements in all three areas mentioned above, the CAS for FY1998 - 2000 (to be discussed by the Board in September) envisages small amounts of IBRD lending starting in the 2nd half of 1998 (FY99). The key trigger for IBRD eligibility is continued strong growth performance during 1997.
- SAC II - We have been impressed with the strong implementation of the Government's structural reform program. SAC II negotiations are scheduled to take place shortly. Only a few important pre-Board measures remain to be taken (electricity tariff increase, raise specific duties on some imported goods). We expect to present SAC II to the Board in September. Considering the tight government expenditure program as supported under the IMF ESAF program and the revenue performance to date, we will propose to the Board to front-load SAC II with a first tranche of $40 million.
- Oil transport - In October 1995, it was announced that Georgia would be one of two transit countries (along with Russia) for "Early Oil" -- the first phase of exploitation of crude petroleum under the Caspian Sea. The Georgian authorities also hope to also secure an export route for large-scale exploitation of the Caspian oil fields. Three main transit routes are being studied (which are not mutually exclusive): Russia (to Novorossyisk on the Black Sea coast); Georgia-Turkey (to Ceyhan on the Mediterranean coast); and Georgia (to Supsa on the Georgian Black Sea coast). The World Bank has approved two loans in support of the preparation of feasibility studies for these oil export routes: a loan to Turkey (September 1996) to study the export route from the Caspian to the Mediterranean Sea through Georgia; and a credit to Georgia (April 1997) to study the Baku - Supsa route and to enhance the capacity of the Georgian Government to undertake international negotiations in respect of oil pipeline transit. The Bank is fully aware of the importance of oil transport to future economic and political developments in the Transcaucasus. However, the Bank believes that this type of project should be undertaken in priority by the private sector and that the Bank's main role should be as a financier of last resort, using guarantee instruments. There may be legal concerns over the ownership of oil reserves due to the unresolved status of the Caspian Sea, which could inhibit the ability of the Bank Group to finance an oil transport project until they are resolved.
- Judicial reforms - Enactment in June 1997 of the Law on the Judiciary indicates political consensus between the legislative and executive branches to initiate an ambitious program of judicial reforms. Our Legal Department is currently in Georgia to assess financing judicial system needs. Their preliminary conclusion is that the Bank could assist in a number of areas, such as technical assistance in court administration and financing; training course design for judges; design of public education programs on the role of the judiciary; and improvement in court infrastructure. Some of these activities could be financed under a technical assistance credit to be presented to our Board in September 1997. Satisfactory implementation of a first set of activities would lead to a more comprehensive judicial reform project, for which Bank financing is also possible.

Messages you might want to get across:

- Strong Portfolio Implementation - The portfolio has been expanding rapidly; performance has been strong. The lending program envisaged in the CAS is ambitious (4 projects a year) and the Government needs to continue to give high priority to portfolio implementation (including counterpart funding), while facing the dual challenge of an expanding program and more complex projects.
- Strengthen Public Finances - The largest risk to economic stabilization is poor tax revenue performance. At about 9%, the tax revenue to GDP ratio remains too low and tax reform and tax and customs administration measures must be implemented. Reallocation of public spending is critical towards areas where public intervention impacts on poverty and human capital, such as the social safety net, health, and education.
- Priority to Energy Sector Reforms - In the short term, highest priority should be given to deepening reforms in the energy sector. This will require further adjustments in electricity tariffs to full cost recovery, increasing collection rates, developing and implementing a privatization strategy for distribution and generation companies, and elimination of discounts.
- Four other reform areas require continued attention: privatization of large enterprises; strengthening of the financial sector; reforms in health and education; and maintaining a free trade regime.

<u>Business Context</u>

1. Georgia's economic reform record continues to be strong, with the IMF-ESAF program broadly on track, and the Bank's structural reform program successfully implemented.

2. Economic performance is very good: GDP growth rates have rebounded, with 2.4% in 1995 and 10.5% in 1996 (a trend confirmed during the first 6 months of 1997), and 12-month inflation as of end-June 1997 was 6.5%. Georgia has made substantial progress in reducing its fiscal deficit (to 4.3% of GDP in 1996) and in initiating external adjustment (current account deficit to GDP ratio falling from over 35% in 1994 to 7.6% in 1996; and debt service to export ratio falling from 80% in 1994 to 30% in 1996).

3. Our relations with the borrower are excellent. Twelve projects have been approved over the last three years and portfolio performance is strong with all projects rated satisfactory or better for both development objectives and implementation progress. Non-lending activities (ESW and policy advice) have been used effectively to foster reform/adjustment in key sectors (energy, agriculture, and forestry are examples) and to foster broad consultation/dialogue with civil society on these issues.

4. The economic turn-around is impressive but fragile, and depends on maintaining and deepening the political stability. In 1992, the country was in the midst of a civil war, when President Shevardnadze returned to Georgia regional tensions were mounting and expectations of continued independence were almost non-existent. Five years later, Georgia's independence is more secure, the President's position is very strong, and there are lively open political debates. Important unresolved issues concern the future of Abkhazia (the region on the Black Sea coast bordering Russia). Following defeat of the Government forces there in late-1993, a cease-fire has held since early 1994 and Russian peace-keeping forces (under UN umbrella) have been deployed while a peaceful solution to the conflict is being sought. Little progress has been made to date in negotiations over the status of Abkhazia.

President Eduard Shevardnadze

- President Shevardnadze was born on January 25, 1928, in the village of Mamat (Western Georgia - Guria Region); while studying political science and history in Kutaisi, he became very active in the Komsomol rising to its leadership in Georgia. Within the Georgian Communist Party, Mr. Shevardnadze rose rapidly through the ranks, first at the regional level (early 1960s), then as Head of Internal Affairs, and finally as First Secretary of the Georgian Communist Party (1970s). In the early 1980s he became a prominent national figure of the Soviet Union, joining the Central Committee and holding the position of Minister of Foreign Affairs from 1985 to 1991. In that capacity Mr. Shevardnadze played a decisive role in the ending of the Cold War.

- In March 1992, in the midst of a civil war, Mr. Shevardnadze returned to Georgia to head the State Council. His first 18 months in office were marked first by a successful end to the conflict with the militias of former President Ghamsakurdia and then by the military defeat of the Georgian forces in Abkhazia (President Shevardnadze spent the critical weeks of the conflict in the front line). Since the beginning of 1994, Mr. Shevarnadze's successes have been impressive: he succeeded in eliminating the various militias that were "ruling" the country; he reached agreement with all regions (except Abkhazia) on the balance of power between the central and regional authorities; he was elected President of Georgia in November 1995; and a new Constitution giving strong Presidential powers was approved. Mr. Shevardnadze's political forum (the Citizens' Union) holds a majority of seats in Parliament. His leadership of the country is unchallenged and his popularity very high.

- Mr. Shevardnadze is soft spoken, does not speak English, and shares two of the national passions: music and soccer. He is married and has one daughter, one son and 3 grandchildren.

Senior Advisor Temur Basilia

- Temur Basilia was born in 1957. He studied economics at Tbilisi State University. In December 1992 he became Head of the Budget Commission of the Parliament and was appointed Deputy Prime Minister in charge of Economic Affairs in March 1994. In that function he became the architect of the Government's economic reform program. In November 1995 when the positions of Deputy Prime Ministers were abolished Mr. Shevardnadze appointed Mr. Basilia as his Advisor for Economic Reforms. For the last three years Mr. Basilia has been the Bank's main counterpart in Georgia. He is married and has one daughter.

Minister of Finance Mikhail Chkuaseli

- Mikhail Chkuaseli, at age 27, is most likely the youngest Minister of Finance in Europe and the Former Soviet Union. He studied economics at Tbilisi State University and was a co-founder in 1992 of one of the first private banks in Georgia. In November 1995, President Shevarnadze appointed him as Governor of the Guria Region (Mr. Shevardnadze was born in Guria and retains very strong ties with that region). In May 1997, he was appointed Minister of Finance. He is an influential member of Mr. Shevardnadze political party (Citizens Union) and considered close to the President.

GEORGIA LENDING

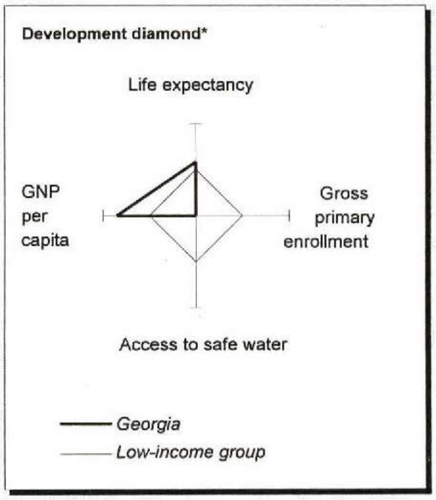
FY97 Projects Approved	Amount $
Municipal Development and Decentralization *	20.9
Agriculture Development	15.0
Oil Institution Building	1.4
Power Rehabilitation	52.3
Total:	**$89.6**
* Board date of July 15, 1997	

FY98 Projects	Amount $
Structural Adjustment Credit II	60.0
Structural Adjustment Technical Assistance Credit II	5.0
Social Investment Fund	15.0
Water Supply Management	15.0
Transport	25.0
Total:	**$120.0**

FY99 Projects	Amount $
Structural Adjustment Credit III	40.0
Structural Adjustment Technical Assistance Credit III	5.0
Health II	15.0
Private Sector Development	10.0
Power Distribution and Trans.*	20.0
Total:	**$90.0**
* IBRD lending	

Georgia at a glance

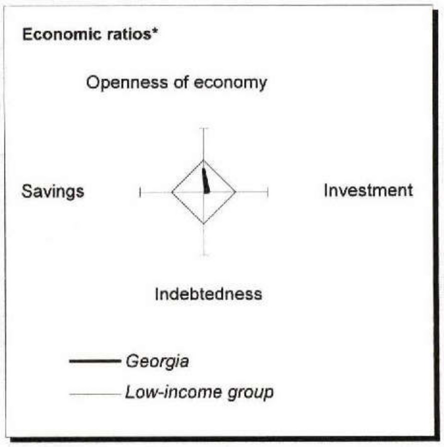
POVERTY and SOCIAL	Georgia	Europe & Central Asia	Low-income
Population mid-1995 *(millions)*	5.4	488	3,180
GNP per capita 1995 *(US$)*	750	2,220	440
GNP 1995 *(billions US$)*	4.0	1,084	1,399
Average annual growth, 1990-95			
Population *(%)*	-0.3	0.3	1.7
Labor force *(%)*	0.2	0.5	1.7
Most recent estimate *(latest year available since 1989)*			
Poverty: headcount index *(% of population)*	30	..	..
Urban population *(% of total population)*	59	65	29
Life expectancy at birth *(years)*	73	68	63
Infant mortality *(per 1,000 live births)*	18	26	69
Child malnutrition *(% of children under 5)*	..	..	41
Access to safe water *(% of population)*	..	..	67
Illiteracy *(% of population age 15+)*	1	..	34
Gross primary enrollment *(% of school-age populatio*	..	97	105
Male	..	97	112
Female	..	97	98



KEY ECONOMIC RATIOS and LONG-TERM TRENDS

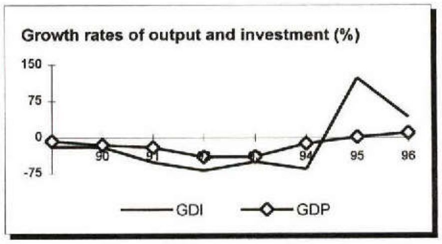
	1975	1985	1994	1995	1996 e/
GDP *(billions US$)*	..	..	1.2	2.9	4.6
Gross domestic investment/GDP	..	34.3	1.6	4.0	5.0
Exports of goods and non-factor services/G	..	..	38.0	16.2	11.8
Gross domestic savings/GDP	..	31.1	-32.1	-7.2	-1.5
Gross national savings/GDP	..	..	-35.7	-10.1	-9.1
Current account balance/GDP	..	..	-36.7	-14.1	-7.6
Interest payments/GDP	..	..	2.6	2.9	1.4
Total debt/GDP	..	..	79.1	42.0	29.8
Total debt service/exports a/	..	..	0.4	7.4	7.5
Present value of debt/GDP	..	..	93.8	..	..
Present value of debt/exports	..	..	..	..	..

	1975-84	1985-95	1994	1995	1996 e/	1997-05
(average annual growth)						
GDP	5.5	-17.4	-11.4	2.4	10.5	6.9
GNP per capita	..	-18.6	-13.1	1.8	2.8	6.8
Exports of goods and nfs	..	..	..	-11.3	20.2	9.1

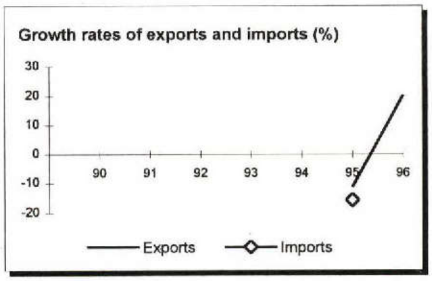


STRUCTURE of the ECONOMY

	1975	1985	1994	1995	1996 e/
(% of GDP)					
Agriculture	..	25.5	34.2	35.3	33.5
Industry	..	39.6	31.9	26.7	25.1
Manufacturing	..	30.2	23.9	20.1	18.9
Services	..	34.8	33.9	38.0	41.3
			100.0		
Private consumption	..	55.8	125.7	100.0	92.8
General government consumption	..	13.0	6.5	7.2	8.8
Imports of goods and non-factor services	..	..	71.7	27.4	18.4



	1975-84	1985-95	1994	1995	1996 e/
(average annual growth)					
Agriculture	..	-12.4	-58.3	5.5	3.0
Industry	..	-22.0	2.7	1.0	2.0
Manufacturing	..	-21.3	-20.5	1.0	2.0
Services	..	-20.5	31.8	54.0	16.3
Private consumption	..	-12.2	-7.1	-10.4	2.6
General government consumption	..	-26.1	-35.0	52.7	52.7
Gross domestic investment	..	-24.8	-65.2	123.0	43.4
Imports of goods and non-factor services	..	..	..	-15.5	9.1
Gross national product	5.5	-18.5	-13.0	1.8	6.9



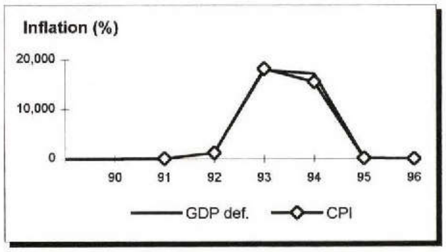
* The diamonds show four key indicators in the country (in bold) compared with its income-group average. If data are missing, the diamond will be incomplete.

a / Debt service due after rescheduling.

e / Estimate

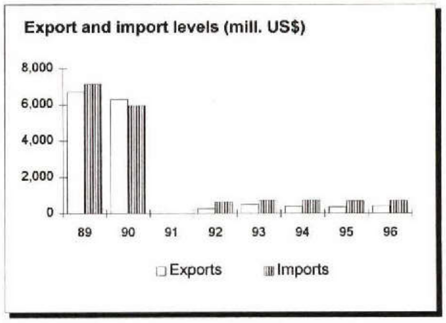
PRICES and GOVERNMENT FINANCE

	1975	1985	1994	1995	1996 e/
Domestic prices					
(% change)					
Consumer prices	..	..	15,606.5	162.7	39.3
Implicit GDP deflator	0.7	-4.5	17,271.5	162.7	40.2
Government finance a/					
(% of GDP)					
Current revenue (excl. grants)	..	..	4.2	5.1	8.1
Current budget balance (excl. grants)	..	..	-19.0	-6.1	-4.3
Overall surplus/deficit (excl. grants)	..	..	-20.0	-7.2	-5.5



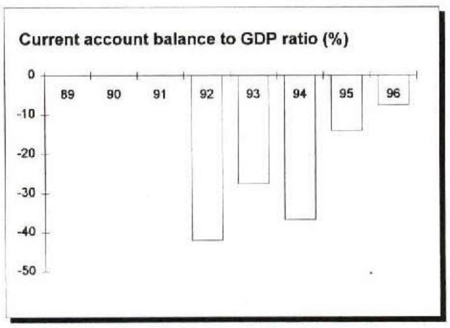
TRADE

	1975	1985	1994	1995	1996 e/
(millions US$)					
Total exports (fob)	..	..	381	347	400
Black Metal	..	..	34	38	75
Tea	..	..	13	11	26
Manufactures	..	..	300	265	233
Total imports (cif)	..	..	744	686	733
Food	..	..	184	163	186
Fuel and energy	..	..	278	185	184
Capital goods	..	..	88	121	127
Export price index *(1987=100)*	..	..	..	..	..
Import price index *(1987=100)*	..	..	..	..	..
Terms of trade *(1987=100)*	..	..	..	..	..



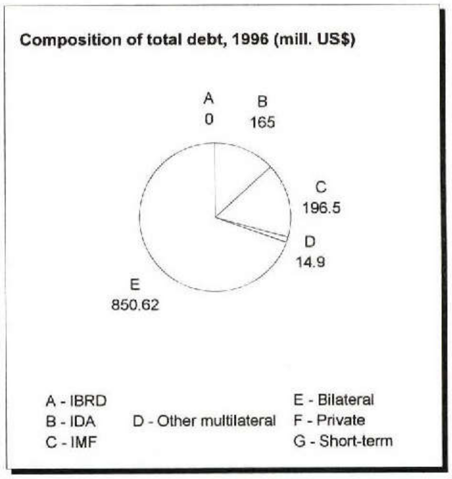
BALANCE of PAYMENTS

	1975	1985	1994	1995	1996 e/
(millions US$)					
Exports of goods and non-factor services	..	..	473	469	541
Imports of goods and non-factor services	..	..	893	791	841
Resource balance	..	..	-420	-322	-300
Net factor income	..	..	-37	-86	-50
Net current transfers	..	..	9	0	0
Current account balance, before official transfers	..	..	-448	-408	-350
Financing items (net)	..	..	450	448	269
Changes in net reserves	..	..	-2	-40	81
Memo:					
Reserves including gold *(mill. US$)*	..	..	43	158	158
Conversion rate *(local/US$)*	..	..	5.6E+05	1.4E+06	1.4E+06



EXTERNAL DEBT and RESOURCE FLOWS

	1975	1993	1994	1995	1996 e/
(millions US$)					
Total debt outstanding and disbursed	..	..	985	1,212	1,365
IBRD	..	..	0	0	0
IDA	..	..	1	84	165
Total debt service b/	..	..	2	35	42
IBRD	..	..	0	0	0
IDA	..	..	0	0	1
Composition of net resource flows					
Official grants	..	..	170	189	141
Official creditors	..	..	118	173	186
Private creditors	..	..	0	0	0
Foreign direct investment	..	..	8	6	20
Portfolio equity	..	..	0	0	1
World Bank program					
Commitments	..	..	28	75	91
Disbursements	..	..	1	83	81
Principal repayments	..	..	0	0	0
Net flows	..	..	1	83	81
Interest payments	..	..	0	0	1
Net transfers	..	..	1	83	80



International Economics Department

Note: Estimates for economies of the former Soviet Union are subject to more than the usual range of uncertainty.
a. Government finance data exclude grants.
b / Debt service due after rescheduling.
e / Estimate

Georgia - Selected Indicators of Bank Portfolio Performance and Management

Indicator	1994	1995	1996	1997
Portfolio Performance				
Number of Projects under implementation		3	7	9
Average implementation period (years)[a]	0.00	.63	.85	1.25
Percent of problem projects rated U or HU[b] (for past years, rated 3 or 4)				
Development Objectives[c]	0.00	0.00	0.00	0.00
Implementation Progress (or overall status for past years)[d]	0.00	0.00	0.00	0.00
Cancelled during FY in US$m	0.00	0.00	0.00	0.00
Disbursement ratio (%)[e]	0.00	0.00	46.28	37.41
Disbursement lag (%)[f]	0.00	-70.84	-2.64	9.30
Memorandum item: % completed projects rated unsatisfactory by OED	0.00	0.00	0.00	0.00
Portfolio Management				
Supervision resources (total US$ thousands)	0.00	220.80	240.51	469.90
Average Supervision (US$ thousands/project)	0.00	73.60	34.36	52.21
Supervision resources by location (in %)[g]				
Percent headquarters	0.00	0.00	74.40	79.31
Percent field	0.00	0.00	25.60	20.69
Supervison resources by rating category (US$ thousands/project)				
Projects rated HS or S	0.00	73.60	34.36	52.21
Projects rated U or HU	0.00	0.00	0.00	0.00
Memorandum item: date of last/next CPPR				

a. Average age of projects in the Bank's country portfolio.

b. Rating scale: "HS" denotes "Highly Satisfactory", "S" denotes "Satisfactory", "U" denotes "Unsatisfactory", and "HU" denotes "Highly Unsatisfactory".

c. Extent to which the project will meet its development objective (see OD 13.05, Annex D2, *Preparation of Implementation Summary [Form 590])*.

d. Assessment of overall performance of the project based on the ratings given to individual aspects of project implementation (e.g., management, availability of funds, compliance with legal covenants) and to development objectives (see OD 13.05, Annex D2, *Preparation of Implementation Summary [Form 590])*. The overall status is not given a better rating than that given to project development objectives.

e. Ratio of disbursements during the year to the undisbursed balance of the Bank's portfolio at the beginning of the year: investment projects only.

f. For all projects comprising the Bank's country portfolio, the percentage difference between actual cumulative disbursements and the cumulative disbursement estimates as given in the "Original SAR/PR Forecast" or, if the loan amounts have been modified, in the "Revised Forecast." The country portfolio disbursement lag is effectively the weighted average of disbursement lags for projects comprising the Bank's country portfolio, where the weights used are the respective project shares in the total cumulative disbursement estimates.

g. Supervision resources data, by location, is only available starting in fiscal year 1996.

Note:

Disbursement data is updated at the end of the first week of the month.

Georgia - Bank Group Fact Sheet
IBRD/IDA Lending Program

	Past			*Current*	*Planned*[a]		
Category	**1994**	**1995**	**1996**	**1997**	**1998**	**1999**	**2000**
Commitments (US$m)	0.0	103.1	90.8	68.7	117.0	70.0	112.0
Sector (%)[b]							
Agriculture	0.0	0.0	0.0	21.8	0.0	0.0	17.8
Electric Pwr & Engy.	0.0	0.0	0.0	76.1	0.0	0.0	26.8
Environment	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Industry	0.0	0.0	0.0	0.0	0.0	14.3	0.0
Multisector	0.0	72.7	66.1	0.0	55.6	64.3	26.8
Oil & Gas	0.0	0.0	0.0	2.0	0.0	0.0	17.8
Popultn, Hlth & Nutn	0.0	0.0	15.4	0.0	0.0	21.4	0.0
Public Sector Mgmt.	0.0	9.8	5.3	0.0	0.0	0.0	0.0
Social Sector	0.0	0.0	0.0	0.0	10.2	0.0	10.7
Transportation	0.0	0.0	13.2	0.0	21.3	0.0	0.0
Urban Development	0.0	17.5	0.0	0.0	0.0	0.0	0.0
Water Supply & Santn	0.0	0.0	0.0	0.0	12.8	0.0	0.0
TOTAL	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Lending instrument (%)							
Adjustment loans[c]	0.0	72.7	66.1	0.0	55.6	64.3	26.8
Specific investment loans and others	0.0	27.3	33.9	100.0	44.4	35.7	73.2
TOTAL	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Disbursements (US$m)							
Adjustment loans[c]	0.0	28.9	78.5	29.7	60.0	40.0	30.0
Specific investment loans and others	0.0	3.2	12.8	16.3	33.6	37.8	42.0
Repayments (US$m)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Interest (US$m)	0.0	0.0	.3	.9	1.5	2.1	2.7

[a] Ranges that reflect the base-case (i.e., most likely) Scenario. for IDA countries, planned commitments are not presented by FY but as a three-year-total range; the figures are shown in brackets. A footnote indicates if the pattern of IDA lending has unusual characteristics (e.g., a high degree of frontloading, backloading, or lumpiness). For blend countries, planned IBRD and IDA commitments are presented for each year as a combined total.
[b] For future lending, rounded to the nearest 0 or 5%. To convey the thrust of country strategy more clearly, staff may aggregate sectors.
[c] Structural adjustment loans, sector adjustment loans, and debt service reduction loans.

Note:
Disbursement data is updated at the end of the first week of the month.

Status of Bank Group Operations in Georgia
IBRD Loans and IDA Credits in the Operations Portfolio

Project ID	Loan or Credit No.	Fiscal Year	Borrower	Purpose	Original Amount in US$ Millions			Undisbursed	Difference Between expected and actual disbursements a/	Last ARPP Supervision Rating b/	
					IBRD	IDA	Cancellations			Development Objectives	Implementation Progress
Number of Closed Loans/credits: 2											
Active Loans											
GE-PE-8417	C26580	1995	MINISTRY OF FINANCE	MUNICIPAL INFRA. REH	0.00	18.00	0.00	2.92	3.35	S	S
GE-PE-8413	C26410	1995	GOVERNMENT OF GEORGIA	INSTITUTION BUILDING	0.00	10.10	0.00	.63	-1.17	S	S
GE-PE-8414	C28520	1996	GOVERNMENT OF GEORGIA	HEALTH	0.00	14.00	0.00	12.53	.79	S	HS
GE-PE-44388	C28480	1996	REPUBLIC OF GEORGIA	STRUCT. ADJUST. TA	0.00	4.80	0.00	3.52	3.64	S	S
GE-PE-39892	C28090	1996	GOVERNMENT OF GEORGIA	TRANSPORT	0.00	12.00	0.00	6.53	2.14	S	S
GE-PE-35784	C29580	1997	GOVERNMENT OF GEORGIA	POWER REHAB.	0.00	52.30	0.00	52.56	0.00		
GE-PE-44830	C29440	1997	GOVERNMENT OF GEORGIA	OIL INSTITUTION BLDG	0.00	1.40	0.00	1.39	0.00		
GE-PE-8415	C29410	1997	GOVT. OF GEORGIA	AGRICULTURE DEVELOP.	0.00	15.00	0.00	14.50	.43		
Total					0.00	127.60	0.00	94.59	9.19		

	Active Loans	Closed Loans	Total
Total Disbursed (IBRD and IDA):	32.27	137.04	169.31
of which has been repaid:	0.00	0.00	0.00
Total now held by IBRD and IDA:	127.60	135.00	262.60
Amount sold :	0.00	0.00	0.00
Of which repaid :	0.00	0.00	0.00
Total Undisbursed :	94.59	0.00	94.59

a. Intended disbursements to date minus actual disbursements to date as projected at appraisal.
b. Rating of 1-4: see OD 13.05. Annex D2. Preparation of Implementation Summary (Form 590). Following the FY94 Annual Review of Portfolio performance (ARPP), a letter based system will be used (HS = highly Satisfactory, S = satisfactory, U = unsatisfactory, HU = highly unsatisfactory): see proposed Improvements in Project and Portfolio Performance Rating Methodology (SecM94-901), August 23, 1994.

Note:
Disbursement data is updated at the end of the first week of the month.

Record Removal Notice

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Exception(s)
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Additional Comments

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Withdrawn by	Date
Diego Hernández	June 18, 2025