



# Completion Report

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Project Number: 47220-001  
Technical Assistance Number: 8682  
May 2017

## Georgia: Support for Transportation Policy

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TA Number, Country, and Name:			Amount Approved: \$750,000	
TA 8682-GEO: Support for Transportation Policy			Revised Amount:	
Executing Agency: Ministry of Economy and Sustainable Development (MOESD)		Source of Funding: TASF-V	Amount Undisbursed: \$69,124	Amount Utilized: \$680,876
TA Approval Date: 9 July 2014	TA Signing Date: 8 August 2014	Fielding of First Consultants: 8 December 2014	TA Completion Date Original: 31 December 2016 Account Closing Date Original: 31 December 2016	Actual: 31 December 2016 Actual: 30 November 2016
<b>Description</b>				
<p>The TA 8682-GEO: Support for Transportation Policy was approved to support the government of Georgia to: (i) develop the national transport policy and action plan; (ii) produce a long-term human resource development plan with strengthened transport planning capacity for the Ministry of Economy and Sustainable Development of Georgia (MOESD) staff; and (iii) prepare guidelines for prioritization of transport projects with support to transport agencies in implementation. Given Georgia's strategic geographic location at the crossroads of Asia, Europe and the Middle East, the development of the transport sector including international transit is among the top government priorities. In recent years, the successive governments in Georgia have revised the transport sector rules and regulations and restructured institutions to accelerate transport sector reforms and modernization of transport infrastructure. Despite significant progress made, the transport sector in Georgia continued to face significant policy and institutional gaps. These included: (i) Lack of a comprehensive transport policy to guide the sector development in an inclusive and sustainable manner; (ii) fragmented institutional infrastructure with competencies distributed among multiple ministries and agencies; (iii) underdeveloped regulatory mechanisms and framework, particularly in the areas of price and service quality regulations; and (iv) gaps in human resources especially in the context of transport sector planning. The TA was designed to address these gaps to help ensure long term sustainable development of the sector in line with Georgia's strategic priorities.</p>				
<b>Expected Impact, Outcome, and Outputs</b>				
<p>The expected impact was safer and more efficient transport system that promotes economic growth in Georgia. The expected outcome was government adoption of the transport policy and action plan. The expected outputs included: (i) transport sector policy recommendations and action plan for Georgia; (ii) long-term human resource development plan with strengthened transport planning capacity for MOESD staff; and (iii) guidelines for prioritization of transport projects with support to transport agencies in implementation.</p>				
<b>Delivery of Inputs and Conduct of Activities</b>				
<p>The TA was declared effective on 8 August 2014 with the initial closing date of 31 December 2016. Three individual international consultants (with 20 person-months inputs) and two national consultants (18 person-months inputs), were engaged to conduct the consulting services as was planned at the project appraisal. Additional short-term resource persons were recruited to deliver specialized training and to support the finalization of the transport policy. The TA was in line with the government request and ADB's development priorities in Georgia, as outlined in the Country Partnership Strategy 2014–2018. The TA was challenged in meeting its broad scope covering all of the transport sector's subsectors, especially due to the existing policy environment in Georgia with fragmented responsibilities and multiple stakeholders governing the transport sector. Compared to the large task at hand, the TA was constrained in its budget, allowing only a relatively small consultant team to be mobilized. Consulting inputs were not intended to achieve deep analysis of each individual subsector. The productivity and quality of inputs are both assessed satisfactory. The consultants' performance was mixed and multiple interventions by the ADB project team and the MOESD staff were required to achieve necessary milestones and deliver quality outputs. The contract of the human resource development specialist (international consultant) was terminated on the grounds of consultant's poor health and the team leader took over his duties. Overall, the economy of input provision and client satisfaction with the inputs provided were less than satisfactory. MOESD, as the counterpart agency, provided all necessary inputs including the facilities and ensured availability of relevant staff and resources. MOESD also facilitated all necessary meetings with stakeholders and hosted workshops and seminars planned under the TA. Other stakeholders, such as the Ministry of Regional Development and Infrastructure, Georgian Railways, port operators, and shipping and logistics companies contributed to the TA significantly through providing requested information. The performance of the MOESD as the executing agency is assessed as satisfactory. ADB fielded three missions to monitor the TA implementation progress. The project was closed ahead of time, on 30 November 2016, as subcomponent of the third output, which included consultants' support to transport agencies in prioritizing transport projects and implementing the action plan was deemed no longer necessary. ADB's performance has been rated as satisfactory.</p>				

## **Evaluation of Outputs and Achievement of Outcome**

The first output, transport sector policy recommendations and action plan named “Transport Policy Study – Policy Framework and Preliminary Action Plan 2016–2025”, was delivered in March 2016. MOESD found some of the analysis in the consultant reports lacking sufficient depth and quality and the report was adopted as guidance for further policy work rather than as the final product. The second output, “long-term human resource development plan with strengthened transport planning capacity for MOESD staff”, was delivered in accordance with clients’ needs. Although a long term human resource development plan was not developed per se, transport planning capacity of MOESD was enhanced through three training workshops with participation of 33 MOESD staff covering the sectors and thematic areas such as aviation, transport economics, and transport policy. The training workshops were well-organized and delivered diverse expertise in the concerned areas through carefully selected resource persons. In addition, two technical documents were prepared on (i) market analysis for logistics hub, and (ii) measuring corridor performance at the request of MOESD. These documents helped to provide MOESD with relevant knowledge in support of emerging priorities. The third output “guidelines for prioritization of transport projects with support to transport agencies in implementation” was achieved partially. Such guidelines were not developed as a standalone document, but the basic principles were discussed during the workshops and embedded into the transport policy document. Support to transport agencies in implementing the national transport policy and action plan was not provided, because MOESD didn’t adopt the policy paper as such and the timeline of the action plan implementation was therefore postponed. The quality of outputs and timeliness of delivery of outputs have been rated as satisfactory. The government may seek further support on the action plan implementation through future programs if needed. The government steering committee reviewed and accepted the draft final transport policy document with the government comments incorporated. Given the tight budget, the team could complete the large task and therefore the efficiency in the production of outputs has been rated satisfactory. The effectiveness has been rated less than satisfactory as the transport policy document was adopted as guidance for policy formulation, subject to further analysis and inputs, rather than as the final product. The government’s ability to plan, identify, appraise and implement transport sector interventions was improved but the full set of guidelines and the implementation support as envisaged at TA approval was not delivered. Client satisfaction with outputs and outcome has been rated less than satisfactory.

## **Overall Assessment and Rating**

The TA was partly successful. The outputs were partially delivered and the outcome was partially achieved. The Government adopted the transport policy and the action plan for guidance, subject to further analysis and inputs, before the final transport policy is formulated and adopted. MOESD staff benefited from the training workshops conducted under the TA, deepening their sector expertise and enhancing skills.

## **Major Lessons**

The TA underwent implementation challenges commonly seen in cases where policy is concerned. Expectations on what constitutes a transport policy document were varied among government counterparts and the TA team. Complex assignments requiring cross-sectoral competences such as in this TA require heavy involvement of ADB staff, and need to be selectively chosen given time constraints ADB staff is facing. ADB staff involvement and supervision efforts should be increased to improve the quality of such demanding TA. The scope of the TA was too ambitious covering multiple sub-sectors of the transport sector for the given budget and implementation period. Under these constraints, the consulting team could not include experts for each of the subsectors, leading to the team leader being overwhelmed by the breadth of the tasks. A larger team may have handled the assignment more efficiently through deploying more diverse expertise with higher effectiveness and responsiveness to the client. The TA would have been made more successful with more time invested upfront to clearly define the outputs, as well as the roles and responsibilities of the TA consultants versus government officials. The process for formulation and adoption of the TA outputs should also have been considered carefully from the outset, to ensure a clearer role for the MOESD in leading the process, and to obtain higher levels of cross-government support.

## **Recommendations and Follow-Up Actions**

The Georgian government’s pipeline of transport infrastructure projects is expanding rapidly and the adoption of long-term sustainable transport policy remains a top priority for the country. This TA was one step towards elaborating such policy and building capacity of the responsible government agency to carry on productive work in this direction. ADB as a key player in the transport sector should continue engaging the government, based on the outputs of the TA. The recommendations made by the TA should be further considered in light of Georgia’s recent accession to the CAREC program. Provision of carefully designed technical assistance and knowledge products may be further considered through the CAREC program to further facilitate this process. The general approach of favoring individual consultants should be reconsidered for complex TAs requiring wide range of expertise and good project management skills.

MOESD = Ministry of Economy and Sustainable Development, TA = technical assistance.