

# Youth Partnership

---

Partnership between the European Commission  
and the Council of Europe in the field of Youth



## CONTRIBUTION OF PARTNER COUNTRIES TO EU YOUTH WIKI CHAPTER III: GEORGIA EMPLOYMENT AND ENTREPRENEURSHIP

**Author: Maka Sartania**

**(National Focal Point at the EU4Youth Coordination  
and Support Project Consortium led by EY)**

**Co-author: Evgeniia Petrivska**

**(Senior Non-Key Expert at the EU4Youth Coordination  
and Support Project Consortium led by EY)**

**Published: 29 July 2023**

Disclaimer: The opinions expressed in this work, commissioned by the European Union–Council of Europe Youth Partnership, are the responsibility of the authors and do not necessarily reflect the official policy of either of the partner institutions, their member states or the organisations co-operating with them.

## Contents

<b>3.1 General context.....</b>	<b>4</b>
<b>Labour market situation in the country.....</b>	<b>4</b>
<b>Main concepts .....</b>	<b>5</b>
<b>Governance .....</b>	<b>6</b>
<b>Cross-sectoral co-operation.....</b>	<b>9</b>
<b>3.3 Skills forecasting.....</b>	<b>10</b>
<b>Forecasting system(s).....</b>	<b>10</b>
<b>Skills development.....</b>	<b>10</b>
<b>3.4 Career guidance and counselling.....</b>	<b>13</b>
<b>Career guidance and counselling services .....</b>	<b>13</b>
<b>Funding .....</b>	<b>13</b>
<b>Quality assurance .....</b>	<b>14</b>
<b>3.5 Traineeships and apprenticeships .....</b>	<b>15</b>
<b>Official guidelines on traineeships and apprenticeships .....</b>	<b>15</b>
<b>Promoting traineeships and apprenticeships .....</b>	<b>16</b>
<b>Recognition of learning outcomes .....</b>	<b>16</b>
<b>Funding .....</b>	<b>16</b>
<b>Quality assurance .....</b>	<b>16</b>
<b>3.6 Integration of young people in the labour market .....</b>	<b>17</b>
<b>Youth employment measures.....</b>	<b>17</b>
<b>Flexicurity measures focusing on young people .....</b>	<b>18</b>
<b>Reconciliation of private and working life for young people .....</b>	<b>18</b>
<b>Funding of schemes/initiatives.....</b>	<b>18</b>
<b>Quality assurance .....</b>	<b>18</b>
<b>3.7 Cross-border mobility in employment, entrepreneurship and vocational opportunities .....</b>	<b>20</b>
<b>Programmes and schemes for cross-border mobility.....</b>	<b>20</b>
<b>Legal framework.....</b>	<b>21</b>
<b>3.8 Development of entrepreneurial competence .....</b>	<b>22</b>

Policy framework.....	22
Formal learning.....	22
Non-formal and informal learning .....	23
Educator support in entrepreneurship education.....	24
3.9 Start-up funding for young entrepreneurs.....	25
Access to information .....	25
Access to capital .....	25
3.10 Promotion of entrepreneurship culture.....	27
Special events and activities.....	27
Networks and partnerships .....	27
3.11 Current debates and reforms .....	28
Forthcoming policy developments.....	28
Ongoing debates.....	28
References.....	29

### 3.1 General context

Since the 1990s, Georgia (historically Sakartvelo) has ascended from low-income to [upper-middle-income status](#), experiencing a remarkable economic transformation despite [ongoing issues](#) such as low-skilled jobs, high youth unemployment rates and considerable urban unemployment. The labour market's development, however, is [impeded](#) by a skills mismatch and persistent engagement in subsistence agriculture. Despite significant economic growth, labour productivity in the country remains below the average of Europe and Central Asia, pointing to future growth opportunities. Addressing these challenges necessitates youth-focused policies, co-ordinated efforts, capacity building and a strong evidence-based approach.

#### Labour market situation in the country

##### *Key definitions*

There are no specific definitions in Georgia relating to “youth employment” and “youth entrepreneurship”.

The Law of Georgia [On Employment Facilitation](#) (2020) defines employment as the acquisition of a job by a person, including a temporary job, that is relevant to their education, the short-term vocational education course undertaken and/or their professional experience, along with the health status and physical abilities required for them to carry out the job in question.

The 2021 Law of Georgia [On Entrepreneurs](#) (2021) does not provide an explicit definition of “entrepreneurship”, but defines one as a natural or legal person who operates a business. A business is defined as an organised system for conducting business activities. According to the Law, a business activity is a legitimate, repeated, independent and organised activity carried out for the purpose of generating profit.

##### *The state of youth employment and gender disparities*

Georgia faces substantial challenges related to youth unemployment and youth not in education, employment, or training (NEETs), along with gender wage disparities. According to the [data](#) of the [National Statistics Office of Georgia](#), as of 2022, Georgia's population is 3 688 600, with 699 101 young people aged 14-29. The labour force participation rate is 51.9%, with youth activity rates of 12.5%, 51.2% and 67.8% for ages 15-19, 20-24 and 25-29 respectively. The unemployment rate stands at 17.3%, while for youth it ranges from 22.2% to 47.4% across age groups. Unemployment is highest among 15-24-year-olds, increasing from 39% in 2020 to 43% in 2021. The percentage of young NEETs is 34.6%.

The average wage for 2022 was 1 591.80 GEL. In 2021, women's average wage was 1 055 GEL, men's average wage was 1 537 GEL, and the overall average was 1 304.50 GEL.

According to a [working paper](#) from the [European Training Foundation](#) (ETF), young people in Georgia grapple with labour market challenges, such as inadequate employability, skills mismatch and insufficient transition support from school to work, further compounded by unattractive working conditions characterised by low wages and lack of workplace protections.

Gender disparities pose a significant challenge in the labour market, with women facing barriers to education, development opportunities and job prospects due to societal roles. Data from the National Statistics Office of Georgia indicate that women's wages are, on average, 38% lower than those of men.

## **Main concepts**

### ***Employment system, reforms and priorities***

[Georgia's Labour Market Profile](#) (2021) revealed significant deregulation in the 2000s due to institutional reconstruction, while the 2010s introduced reforms aligned with international norms to enhance workers' rights. The [Labour Market Information System](#), established as a "One stop shop" public web portal, provides [updated](#) labour market trends and career guidance. However, in mid-2023, Georgia's employment system faces [issues](#) in labour market policy formulation and employment strategies, with government-initiated temporary employment and wage subsidy programmes receiving mixed feedback.

### ***Impact of Covid-19***

The Covid-19 pandemic has worsened the situation, making job opportunities even scarcer. Young people's transition to work is becoming more prolonged and unstable. Alarming, [42% of tertiary graduates do jobs](#) that require lower qualifications. Young women, in particular, face added difficulties entering the labour market due to socio-cultural norms and family responsibilities.

### ***Impact of the Russian aggression against Ukraine on Georgian young people***

The escalating Russian aggression against Ukraine has sent ripple effects across neighbouring countries, notably [Georgia](#). The rising geopolitical tensions and the substantial influx of Russian migrants have heightened economic pressures, marked by surging prices and significant inflation. These issues, combined with a strained housing market, have disproportionately impacted Georgia's young population, especially those in the early stages of their careers or pursuing education. Consequently, young Georgians are not only grappling with immediate economic challenges but also the broader [geopolitical uncertainties](#) that this conflict presents.

### ***Mitigation of unemployment***

Unemployment in Georgia, a multifaceted macroeconomic issue, demands state measures that align with the specific causes. The state [combats](#) frictional unemployment, caused by information gaps in the job market, through improved information systems, and structural unemployment through targeted training programmes. To alleviate cyclical unemployment, strategies primarily focus on boosting gross domestic product (GDP) through encouraging the growth of small businesses, thereby enhancing the country's global competitiveness.

### ***Green and social businesses***

In Georgia, social entrepreneurship, introduced in 2010, is an [emerging field](#) aimed at establishing independent industrial enterprises to address social issues and stimulate economic development; however, the lack of official definitions often leads to individual interpretations. These enterprises, regulated by the [Social Entrepreneurship Alliance](#), focus on poverty alleviation, access to social services and education.

Meanwhile, Georgia's industry-dependent economy grapples with environmental issues, despite its promising position among green economies. The [government's Green Economy projects](#), extending beyond hydro resources, are designed to stimulate private sector growth, with opportunities linked to EU trade agreements.

## 3.2 Administration and governance

### Governance

#### *Key legal framework*

To support promotion of youth employment and entrepreneurship, Georgia has implemented several legislative measures.

The Law of Georgia [On Facilitation of Employment](#) (2020) regulates state activities related to employment facilitation. It designates specific institutions responsible for implementing active labour market policies and facilitating employment opportunities.

Furthermore, the [Labour Code of Georgia](#) (2010) serves as the primary regulatory framework for labour and employment relations within the country, unless otherwise governed by special laws or international agreements. This code ensures the proper governance of labour-related matters.

Moreover, the Law of Georgia On Entrepreneurs (2021) addresses various aspects of entrepreneurial activities, including legal forms, incorporation procedures and registration requirements for entrepreneurs operating within the country.

In line with the overall vision, the [National Strategy 2019-2023 for Labour and Employment Policy of Georgia](#) outlines the government's comprehensive approach to strategic reforms and measures in the labour and employment sector. Among its objectives, the strategy specifically emphasises the support of young people in the labour market.

The [2023 State Employment Support Programme](#) envisages the implementation of measures to assist in the employment of young people, including wage subsidies and the organisation of qualification-enhancing events such as internships.

Georgia's strategic and legislative initiatives demonstrate a strong commitment to promoting the economic empowerment of young people. By prioritising decent employment and entrepreneurship, the state aims to provide opportunities for youth to thrive in the labour market and create a favourable environment for entrepreneurship. These measures align with the government's broader vision of implementing systemic and strategic reforms to enhance labour and employment policies.

#### *Supportive legal acts and strategies*

The [Government Program 2021-2024 Toward Building a European State](#) strongly emphasises youth empowerment, promoting employment among young people and unlocking their potential. [The Georgian National Youth Policy Concept for 2020-2030](#) also prioritises economic empowerment of youth. Importantly, the [2022-2030 Unified National Strategy of Education and Science of Georgia](#) has introduced initiatives to align young individuals' skills and competencies with job market requirements. Despite these concerted efforts, youth unemployment remains a significant challenge.

[The State Youth Strategy 2023-2026](#) places a strong emphasis on empowering young people economically, with a particular focus on promoting decent employment and entrepreneurship. Recognising the importance of these factors, the strategy aims to utilise them as key tools for enhancing youth economic empowerment.

While Georgia has certainly forged ahead in labour market reforms and economic growth, additional efforts remain necessary to resolve structural concerns, boost labour productivity and ensure growth that includes all sections of society.

## **Governmental actors**

There are several entities in Georgia that contribute significantly to addressing labour market challenges, especially those affecting young people.

In Georgia, several state institutions traditionally regulate the labour market. The [Ministry of Internally Displaced Persons from the Occupied Territories, Labour, Health, and Social Affairs](#) (MoIDP) formulates and implements labour-related policies, including labour market regulation, social security, and occupational health and safety. It also plays a crucial role in developing labour legislation and ensuring its enforcement. In 2014, the MoIDP launched the Labour and Employment Policy Department, tasked with creating national labour market policies, particularly focusing on young people.

The [State Employment Support Agency](#) (SESA) provides employment services and manages the public employment service in Georgia, assisting jobseekers in finding employment and supporting employers in recruiting qualified workers. In 2020, SESA emerged under the MoIDP to offer nationwide employment support.

The [Ministry of Economy and Sustainable Development](#) (MESD) develops economic policies, including those pertaining to employment and labour market development. It works with other institutions to stimulate job creation, attract investments and foster economic growth. One of the MESD's subsidiary bodies, Georgia's [Innovation and Technology Agency](#) (GITA), is an influential institution encouraging entrepreneurship and self-employment among youth. It supports innovative start-ups, mainly in the tech sector, and fosters digital, innovative and entrepreneurial skills through its eight regional [Innovation and Technology Centres](#).

The [Ministry of Education and Science](#) (MES) contributes to labour market regulation through its oversight of education and vocational training. It strives to align educational programmes with labour market needs, thereby enhancing the skills and qualifications of the workforce. MES also has a key role in policy making, aiming to equip young individuals with skills and knowledge for societal success and personal satisfaction. Several agencies under MES contribute to skills development:

- the [Vocational Skills Agency](#), a private-public partnership with the [Georgian Chamber of Commerce and Industry](#) (GCCl), introduces new vocational education and training (VET) programmes, encourages innovative training initiatives and boosts employability;
- the [Education Management Information System](#) (EMIS) gathers data and insights on the entire education system;
- the [National Centre for Education Quality Enhancement](#) (NCEQE) guarantees quality at all educational levels;
- the [National Assessment and Examinations Centre](#) (NAEC) enhances educational quality through valid, reliable assessment and research;
- the [National Centre for Teacher Professional Development](#) offers training to secondary and VET teachers and trainers.

The [Labour Inspection Office](#) (LIO) ensures compliance with labour laws and addresses violations relating to working conditions, wages and labour rights. It safeguards workers' rights and upholds fair labour practices.

Additionally, the [Youth Agency](#), operating under the Ministry of Culture, Sports and Youth (MCSY) since 2020, promotes and implements youth-related policies, including promotion of youth employment.

### ***Civil society actors***

Several civil society actors in Georgia are taking significant strides to enhance the labour market, focusing on labour rights, gender equality, VET, and bridging the gap between education and industry. Their efforts, backed by international collaborations and government support, are crucial for developing a skilled workforce, promoting fair labour practices and fostering a robust economy.

The [Georgian Employers Association](#) (GEA) has delivered VET programmes since 2017, funded by the German Government. Its activities include testing a student career guidance model, establishing a skills demand database and training career guidance specialists.

Founded in 1992, the [Georgian Trade Union Confederation](#) (GTUC) is a non-profit organisation advocating for a more democratic economy, society and state. The GTUC's initiatives range from fostering a competitive labour market to protecting human and trade union rights. It ensures fair working conditions via collective bargaining and promotes healthy labour relations. The GTUC prioritises the protection of women and children in the workforce and champions gender equality. It unites 21 sectoral trade unions and represents 150 000 members. Since 2006, it has been a founding member of the [International Trade Union Confederation](#) and the [Pan-European Regional Council](#), where a youth organisation holds voting rights in its governing body. Youth employment and labour rights form a significant part of the GTUC's labour legislation reform strategy.

On the employer organisation front, the GCCI instigates meetings through its [Open Dialogue with Business](#) initiative. These engagements facilitate discussions between public and private sectors, boosting awareness about state programmes supporting business growth in areas like education, finance, business start-ups, technology and exports. As a co-founder of the Georgian Skills Agency in 2021, the GCCI continued its commitment to skills development. In 2022, it initiated a three-year project focused on training in-company trainers, encouraging collaboration between colleges and businesses, and conducting visits to educational institutions to promote employment opportunities and in-demand professions.

### ***International development partners***

The EU has been a consistent supporter, with a decade-long focus on employment reforms, skills development and entrepreneurial learning, especially for young people and vulnerable groups.

Phase II of the EU's [Skills4Jobs](#) programme (2018-24), with a budget of €48.85 million, focuses on boosting employability in Tbilisi and other Georgian regions. It includes €30 million for sector reforms, twinning projects for reform implementation, a €7 million [grant scheme](#) to develop services for different target groups (e.g. jobseekers, NEETs and general school students), and technical assistance to several ministries, such as the MoIDP, MES, MESD and MCSY, to enhance their reform policies. The grant component includes at least three projects that specifically focus on providing career development support.

Among the initiatives funded by these grants is the [LINKS project](#) (2020-23), implemented by the [United Nations Association of Georgia](#) and the [Open Society Georgia Foundation](#). It aims to supply data, tools and

platforms for skills anticipation and matching, foster evidence-based career guidance, and improve access to entrepreneurial studies for disadvantaged populations (e.g. young men and women in rural areas, NEETs, IDPs, people with disabilities – PwDs – and other vulnerable groups).

Another initiative is the [Skills4Success project](#) (2020-23) led by [Save the Children in Georgia](#) with various partners (Youth Agency of Georgia, [Association of Youth Workers of Georgia](#), [Konrad Adenauer Foundation South Caucasus](#)). It aims to promote international partnerships for knowledge exchange in youth policy, develop methodologies for institutionalising youth work in Georgia, provide career guidance to vulnerable youth, provide various capacity-building activities and trainings on entrepreneurship, and establish online platforms for labour information access and experience exchange.

The third initiative, [Skill Building and Innovative Job Opportunities for Regional Development of Georgia](#) (2020-23), is carried out by a consortium consisting of the [Centre for Strategic Research and Development of Georgia](#), the [Young Pedagogues Union](#) and the [Georgian Civil Development Association](#). It focuses on career development support, including career guidance and counselling, job search support, employment services and key competency training.

Meanwhile, the [International Organization for Migration](#) (IOM) supports the Georgian Government by piloting career guidance initiatives and developing initial employment support policies. The IOM's involvement extends to regulating and implementing circular labour migration processes, offering policy advice, professional training and technical assistance.

### ***General distribution of responsibilities between top-level and regional/local authorities***

The powers of municipalities relating to employment are regulated by the [Law on Facilitating Employment](#) (2021). According to this Law, a municipality has the authority to take measures promoting employment, thereby assisting the state employment support agency's operations.

SESA, the primary institution responsible for employment support in the country, operates at the regional level through nine offices located across the country.

### **Cross-sectoral co-operation**

Promoting quality youth employment and strengthening youth entrepreneurship are primary objectives under the State Youth Strategy's third strategic goal: the economic empowerment of young people.

In 2021, SESA established an advisory council to discuss policy initiatives and provide recommendations. Meeting annually, this council consists of up to a dozen members serving three-year terms. They represent line ministries, employer and employee organisations, and educational institutions. If necessary, the council can invite other national and international experts.

Moreover, as part of the EU-funded project [EU4Youth: Youth Employment and Entrepreneurship](#), an [informal steering group](#) was established in March 2023. This group brings together public, private and civil society representatives. The Youth Agency and Skills Agency preside as the group's president and vice-president, respectively, while SESA functions as the group's secretariat.

### 3.3 Skills forecasting

#### Forecasting system(s)

Georgia has implemented measures to address skills gaps and enhance workforce development. These include comprehensive research to understand enterprise skill demands, co-ordinated efforts to prevent duplicate research, and the establishment of programmes aimed at labour market co-ordination.

#### ***Georgia’s strategy for addressing skills gaps and workforce development***

The MESD has significant participation in skills forecasting. Since 2017, it has conducted yearly [research](#), drawing on guidelines from the ILO, ETF and [Cedefop](#), to identify the skill demands of enterprises. This research explores recruitment practices, skills gaps, workforce development measures, job vacancies and the use of modern technologies, amongst other factors. The Skills Agency and SESA utilise these findings for skills delivery planning, though a local perspective is absent, limiting the adaptability of professional education institutions.

SESA and the Skills Agency work closely to eliminate duplication of research, while SESA undertakes vacancy monitoring and employer surveys to identify high-demand professions for programme approval. SESA is also set to develop a skills forecasting methodology under the [Georgia Human Capital Programme \(2022-28\)](#).

Achievements in the VET field include the recognition of social partnership mechanisms in the [Midterm Evaluation of the Unified Strategy for Education and Science 2017-2021](#), and the creation of the National Vocational Council and 11 sectoral councils.

#### ***Technical Assistance Project on Vocational Education and Training and Employment Reforms***

The EU’s [Technical Assistance Project on Vocational Education and Training and Employment Reforms in Georgia](#) (EUVEGE) significantly aided employment and VET in Georgia. The programme enhanced the capacity of relevant institutions to implement reforms effectively, while co-ordinating, monitoring and evaluating pivotal contracts in employment and VET areas. Its two major contributions were the development of labour market forecasting and the creation of a labour market information system for Georgia. Ultimately, EUVEGE played a key role in reinforcing Georgia’s employment and VET sectors, instigating reforms and co-ordinating various initiatives for positive change.

#### Skills development

In Georgia, VET is the primary pathway for skills development. Administered by the Skills Agency, VET programmes provide practical and industry-relevant training, address skill gaps, and contribute to the employability and productivity of individuals. By fostering collaboration between VET institutions and industry partners, promoting lifelong learning and ensuring quality assurance, Georgia’s VET system aims at developing a highly skilled workforce and supporting economic growth.

#### ***Focus on lifelong learning and vocational advancement***

In August 2021, Georgia’s MES unveiled a comprehensive 2022-30 Unified National Strategy of Education and Science, incorporating a focus on lifelong learning and targeting sector-specific challenges. However, despite the modular approach to education implemented since 2019, there is still a lack of a unified lifelong learning strategy, leading to skill mismatches and inefficiency. This situation underlines the need for clear, accessible educational services and more effective retraining programmes. It also highlights the growing trend of young learners pursuing skill development outside of formal education.

In 2018, Georgia's Parliament passed the new Framework VET Law, marking a significant step towards enhancing vocational education and lifelong learning in the country. The Law, which encompasses both initial VET and adult learning, is now being expanded into secondary legislation with international support. The EU Skills4Jobs project has been instrumental in formulating the 2022-27 VET strategy, part of the 2022-30 Unified National Strategy. While it was scheduled for approval by 2022, changes proposed by MES and other agencies pushed its adoption to 2023.

The Skills Agency and SESA utilise skills forecasting for programme planning in VET institutions and beneficiary education respectively. Despite extensive funding and strategy implementation, the ETF's evaluation indicates a decreased preference for VET among young Georgians and lower-than-expected strategy effectiveness. Still, there are notable improvements compared to the initial stages. The insights from the VET strategy were incorporated into the broader [Unified Education and Science Strategy 2017-2021](#).

### ***Quality assurance and vocational education and training funding***

The NCEQE's role in granting licenses to educational institutions and ensuring quality assurance across all education levels is adding another layer of oversight and quality control to the VET programmes and strategies implemented by the Skills Agency and SESA. This helps ensure the effectiveness of the programmes, enhancing the likelihood of achieving the objectives outlined in the VET and [Unified Education and Science strategies](#).

The [Law on Education Quality Development](#) (2010) creates a quality assurance framework for VET providers, encompassing authorisation (licensing educational institutions) and accreditation (ensuring programme-level quality). The NCEQE is the sole national body authorised to serve as an external mechanism for assuring and improving educational quality according to this Law. Its main goals are to enhance educational quality and cultivate a culture of quality within educational institutions.

### ***Funding challenges in vocational education and training***

Quality assurance in VET institutions is guaranteed through a combination of internal and external mechanisms. The institutions themselves are accountable for internal quality assurance processes, while the NCEQE takes on the role of ensuring external quality assurance.

To implement quality assurance mechanisms, the NCEQE has established [experts' corps](#). These experts undergo comprehensive training sessions conducted by the VET Quality Assurance Department. The department closely monitors their performance, evaluates their activities and periodically updates the team's composition. The evaluation reports prepared by these experts are then carefully reviewed by the [Authorisation Council for VET Institutions](#). This council plays a crucial role in determining whether the institutions' programmes, infrastructure and resources meet the required authorisation standards.

The VET Quality Assurance Department, a vital component of the NCEQE, plays a crucial role in assisting VET institutions in upholding quality assurance standards. It offers valuable support, training, manuals and guides to ensure that these institutions maintain high-quality standards in their VET programmes. Although the VET Quality Assurance Department takes the lead in providing assistance and resources, MES holds the ultimate responsibility for overseeing and evaluating the implementation of the VET strategy and system.

According to [Key Policy Developments in Education, Training and Employment – Georgia 2022](#), in 2020 the amount of money the government spent on education was equivalent to 3.9% of the country's GDP. Over the years, the portion of the MES budget allocated to VET has increased from 3.0% in 2018 to 4.3%

in 2021. However, education spending still falls short of the average of 4.4% seen in upper-middle-income countries, and it is a long way off from the ambitious government target of reaching 6% of GDP by 2022.

### ***Non-formal learning***

The Skills Agency utilises the results of the forecasting process to develop extracurricular activities aimed at enhancing the key competencies of students and local communities. Furthermore, it has designed and launched non-formal education programmes based on the findings of skills forecasting. Courses in financial literacy and digital skills are just a few examples of the non-formal courses provided by the Skills Agency at the local level.

SESA also uses the results of skills forecasting to approve non-formal educational programmes and allocate funding accordingly. As of 2023, SESA conducts non-formal education activities in four specific areas: linguistics, information technologies, entrepreneurship and social skills.

### ***Awareness raising***

MES, in collaboration with the Skills Agency, carries out a joint promotional campaign to raise awareness and promote programmes that are less in demand. This campaign includes the preparation of information campaigns and video promotions to effectively reach target audiences.

SESA organises meetings in educational institutions and the centres of the [Agency for State Care and Assistance for Victims of Human Trafficking](#) in order to raise awareness among young people about in-demand skills. These meetings aim to educate and inform young individuals about the skills and competencies that are highly sought after in the job market.

SESA sends out mobile groups to different regions to promote high-demand skills at the local level. These mobile groups actively engage with communities in the regions, spreading awareness about the significance and advantages of acquiring skills that are in high demand.

### 3.4 Career guidance and counselling

#### Career guidance and counselling services

Despite the absence of a national career guidance strategy, Georgia is making concerted efforts to integrate career guidance into various aspects of its education and employment strategies. This multi-pronged approach reflects Georgia's commitment to improving its education and employment landscape, addressing skills gaps and meeting the evolving needs of the labour market.

#### *Integrated career guidance efforts*

The [National strategy 2019-2023 for Labour and Employment Policy of Georgia](#) includes certain actions that are carried out by the recently established state employment agency, as stipulated in the Law of Georgia on Employment Promotion.

#### *Career development services across ministries*

Career development support in Georgia is overseen by three ministries and their respective agencies. These are the MoIDP and its SESA, MES and its Skills Development Agency (which also includes schools, VET colleges and universities), and the MCSY and its Youth Agency.

SESA offers various career guidance services to jobseekers, including youth, through its employment support programmes, such as registration in the jobseekers database, providing information on career opportunities, competency assessments, career counselling and guidance, training and retraining, and career education, as well as vacancy analysis and recruitment services for employers. Additionally, SESA also provides mediated employment services such as job mediation, salary subsidies, internships and labour migration. These services are offered through the agency's 12 service centres, 5 located in the capital and 7 in the regions.

#### *Enhancing career guidance in educational institutions*

In the Georgian school system, [career education is limited and typically absent in secondary schools](#), while higher education institutions offer career development support through their electronic systems, allowing students access to job resources and career consultations.

The [2020 vocational educational institution authorisation standards](#) mandate career guidance services in vocational and higher education institutions, prompting each to employ career guidance specialists and offer essential services like student outreach and internships. Meanwhile, the Skills Agency is integrating a career management skills course in VET institutions and piloting a career orientation service for those with disabilities and special educational needs, starting in 2023.

The Youth Agency is responsible for offering basic career development support services to young people. These include development of key competencies through programmes such as summer schools, camps and hobby centres, as well as an online career "[Select your profession](#)" information portal.

MES and the [Ministry of Environment Protection and Agriculture](#) support start-ups through different mechanisms such as conducting training needs analysis and capacity building in areas such as access to finances, entering international markets, and utilising information technology and media technologies.

#### **Funding**

The MoIDP, MES and public employment services are responsible for the [budget of career guidance services](#).

The annual resolutions of the Government of Georgia, which approve the state employment support programme, specify the budget allocated for the public employment service. However, it is not currently possible to estimate the budget specifically allocated for career services.

Funding for career guidance predominantly comes from employment policies rather than the education sector due to the established budget of the public employment service. Nonetheless, funding for career services related to education is often ad hoc and driven by donors. The extent of private funding remains unclear. The sustainability of career guidance services is heavily dependent on donor activities.

### **Quality assurance**

In 2015, Georgia established a [state standard for effective Professional Consultation and Career Planning \(PCCP\) services](#). The standards for PCCP services provide a comprehensive framework, detailing coordination among stakeholders, information resources, and the human, material and methodological requirements for PCCP services. Monitoring protocols are also established. The standards mandate that career counsellors should hold a higher education degree in social sciences, possess three years of relevant experience and receive specialist training in career counselling.

In order to maintain quality control, SESA undertakes regular beneficiary surveys to gauge the performance of career guidance and counselling services.

The State Youth Strategy 2023-26 has an action plan in place, outlining several initiatives to enhance the quality of career guidance and counselling services. These initiatives include a comprehensive development plan for the career planning online platform [myprofession.gov.ge](https://myprofession.gov.ge), a monitoring and evaluation methodology for the platform, and the creation of a training module for individual and group counselling, including the provision of specialist training.

A notable feature of the strategy for the development of career management services in formal education is the proposal to establish quality assessment mechanisms specifically for career management services in VET institutions. While quality assessment mechanisms are currently in place in various strategies and authorisation standards, this initiative aspires to empower VET institutions with independent assessment mechanisms to evaluate the efficacy of their own career management services.

### **3.5 Traineeships and apprenticeships**

#### **Official guidelines on traineeships and apprenticeships**

##### ***Regulations and opportunities for work-based learning***

Work-based learning in Georgia is subject to the conditions laid out by the Government's Resolution [On the approval of the rules and conditions for the implementation of the professional educational programme/short cycle educational programme/professional training programme/professional retraining programme](#) (2022), which stipulates that educational programme outcomes can be achieved via dual or co-operative learning in a real work environment or via a simulated work environment at the institution. The resolution outlines the rights, obligations and other provisions, such as contracts, remuneration and workplace safety, for all parties involved in traineeships and apprenticeships.

Under the Law on VET, practical training is a mandatory component of professional education programmes. Work-based learning within the scope of VET takes two forms: dual education programmes and work-based education programmes. As per the 2022-30 Unified National Strategy of Education and Science, over 50 private companies have participated in the delivery of 45 dual education programmes. In these programmes, learning outcomes are achieved primarily (50% or more) in a real work environment.

Higher education institutions also offer exclusive work-based learning opportunities, including internships and practical work, for their students. Vocational and higher education institutions certify all work-based learning provided with relevant documentation. Additional opportunities for work-based learning are offered by SESA in the form of three-month internships.

Georgia's [State Internship Program](#), implemented by the [Public Service Bureau](#) and regulated by the [resolution of the Prime Minister](#), allows high-achieving students to intern in state institutions. This programme aims to provide students and graduates with the professional experience and practical skills needed for public service roles.

##### ***Expanding work-based learning and future plans***

Despite the challenges of the Covid-19 pandemic, work-based learning continues to expand. In 2020, five public VET institutions introduced programmes in agriculture, transport and culinary arts, providing 222 students with work-based learning opportunities. As restrictions eased in 2021, 13 public VET institutions began implementing dual programmes, creating 395 new spots for learners. That year, 521 new students joined dual programmes in sectors like agriculture, construction, tourism, food production, veterinary science and transportation.

The Vocational Skills Agency promotes and expands work-based learning schemes through sector skills organisations. The 2023-26 State Youth Strategy's action plan includes several measures to improve work-based learning systems, such as developing a mentoring system for the State Internship Program, examining the low participation of private businesses in SESA's internship programmes, launching a public awareness campaign on labour standards, and developing standards and guidelines for unpaid internships.

While the State Internship Program enhances the employability of beneficiaries through certification, apprenticeships and other work-based learning programmes in non-formal and informal education settings typically lack validation or recognition.

## **Promoting traineeships and apprenticeships**

The Skills Agency conducts an annual promotional campaign for less popular, work-based learning programmes, aiming to facilitate the participation of young people and to raise awareness about these programmes.

To address the challenge of involving social partners in policy making, the Skills Agency was established as a [public-private partnership by MES and the Chamber of Commerce and Industry](#). Consequently, the private sector is directly involved in the policy-making process, including aspects related to traineeships and apprenticeships.

## **Recognition of learning outcomes**

Traineeships and apprenticeships are integrated into both formal and non-formal education programmes in Georgia. The recognition of learning outcomes within formal education is regulated by MES's order [On the approval of the rules for recognising results achieved within the framework of formal education](#) (2020). On the other hand, the recognition of non-formal education is conducted through established mechanisms that have been in place since 2011, and it is regulated by MES's order [On the approval of the terms and procedures for recognising non-formal professional education](#) (2011).

### ***Recognition process and the role of self-reflection***

For formal education, schools acknowledge learning outcomes based on a student's written request within a month of receipt. For non-formal education, applicants need to formally request recognition from an authorised state institution. An assigned consultant then reviews the applicant's qualifications, and a committee of VET experts, social partners and private sector representatives assesses them. The committee determines whether to grant partial or full recognition based on the evidence provided and may suggest additional programmes to fill any competency gaps.

Currently, competency self-reflection is only part of the non-formal education recognition process. As per the legislation, individuals must provide direct and indirect evidence of competencies, with self-reflection being a mechanism for the latter. Nevertheless, no other practices validate competencies acquired through non-formal education based on self-reflection.

## **Funding**

Funding for traineeships and apprenticeships incorporated into dual education and work-based education programmes originates from the majority of traineeship and apprenticeship opportunities for young people, which are provided within the framework of development interventions implemented by civil society organisations (CSOs), international NGOs or private companies.

The funding of traineeship and apprenticeship schemes is directly linked to implementing institutions and their donors, particularly in the case of development interventions.

## **Quality assurance**

In ETF's "[National career development support system review – Georgia](#)" (2022), state standards for the aforementioned services are evaluated in general and not applied to real-life contexts: they are not specific enough to address the unique needs, challenges and circumstances within Georgia's career development landscape. Despite the existence of these standards, they are not being effectively enforced in the actual practices of career development within the country due to the lack of resources and the disconnect between policy and practice.

### 3.6 Integration of young people in the labour market

#### Youth employment measures

Efforts are being made to enhance employment and educational opportunities for youth in Georgia, with a strong emphasis on decreasing unemployment rates and reducing the percentage of young NEETs.

#### ***Actions to reduce youth unemployment and Not in Education, Employment, or Training rates***

SESA introduces an Employment Support Programme annually. The [programme for 2023](#) specifically targets youth as a priority group, offering a range of services, including intermediary services connecting young jobseekers with potential employers, salary subsidies, internship opportunities, training and retraining programmes, and non-formal education for the development of key competencies.

SESA offers intermediary and employer relation services to bridge the gap between employers and jobseekers. In 2022, 903 employers offered 10 017 vacancies across various sectors through the agency, resulting in job placements for 617 young individuals.

One such intermediary service is the employment forum, a platform for jobseekers to interact directly with employers and learn about available positions. These forums also allow employers to engage with numerous candidates at a single venue. During the reported period, 14 employment forums saw participation from over 200 employers and more than 2 500 jobseekers.

Assistance is provided to young PwDs via a programme designed to promote employment opportunities for vulnerable and less competitive jobseekers. In 2022, this programme assisted 72 young PwDs.

The wage subsidy programme, another initiative aimed at helping vulnerable youth, involves a nine-month contract between the employer and employee, with a 50% salary subsidy for the first three months.

The State Youth Strategy 2023-26 action plan aims, among other things, to reduce youth unemployment from 41% in 2021 to 35% in 2026 among young people aged 20-24, and from 27.8% in 2021 to 21.8% in 2026 among those aged 25-29. It also aims to reduce the proportion of young NEETs from 34.6% to 25% between 2023 and 2026.

Planned actions include:

- establishing a strong referral scheme between the State Employment Promotion and Youth Agencies to enhance youth participation in job promotion programmes;
- modernising the labour market management information system;
- conducting beneficiary surveys to assess the sustainability and efficiency of active labour market policy programmes;
- developing a competency assessment guide for public service recruitment.

The Youth Guarantee Scheme has never been introduced in Georgia. However, the implementation of a small-scale, budget-neutral prototype including Youth Guarantee-type measures has begun under [EU4Youth Youth Employment and Entrepreneurship](#).

With these comprehensive measures in place, the goal is to promote youth participation in the workforce and improve the prospects of young people for long-term career success.

### ***Outreach and awareness raising***

EU4Youth Youth Employment and Entrepreneurship has [developed](#) a Telegram chatbot game, [@fairemployment](#), aimed at raising awareness and promoting a comprehensive understanding of fair employment practices and standards among young people and employers. The game takes players on an educational journey, allowing them to choose the role of employer or employee and testing their knowledge of fair labour practices through a series of workplace scenarios.

### **Flexicurity measures focusing on young people**

Flexicurity measures for youth primarily emphasise lifelong learning strategies. The 2023 [State Employment Promotion Programme](#) includes a sub-programme to bolster jobseekers' professional qualifications. The aim is to increase competitiveness, fortify active labour market policies and promote employment services nationally, thereby nurturing job opportunities. This encompasses regional professional counselling and career planning, key competency development, and professional training, retraining and qualification enhancement for jobseekers.

The [Georgia Fair Labor Platform](#), comprising independent trade unions, CSOs and activists, strives to enhance labour conditions for workers. Additionally, it functions as a network of solidarity, offering mutual support and assistance on various matters. The platform prioritises several key areas, such as effective labour inspection, living wages, the empowerment of unions, labour rights, workplace safety statistics, labour laws and more. By addressing a diverse range of concerns, the platform actively promotes the rights and well-being of workers in Georgia.

### **Reconciliation of private and working life for young people**

The Labour Code of Georgia incorporates provisions that promote flexible working arrangements to accommodate specific circumstances and protect the rights of workers.

Women are recognised as one of the priority target groups by all institutions involved in the integration of young people into the labour market. The Labour Code of Georgia addresses the needs of nursing women by granting them additional break time for breastfeeding within their working hours. It also ensures employees' well-being by mandating a continuous rest period of at least 24 hours within a 7-day period. Furthermore, the Code sets limits on working hours for minors, ensuring their safety and welfare. Finally, the Code recognises the rights of legal representatives or supporters of disabled individuals to have additional rest days or negotiate alternative working hours.

These provisions reflect the commitment of Georgia's labour legislation to safeguarding the rights and well-being of its workforce.

### **Funding of schemes/initiatives**

Funding of youth employment schemes fall under implementing institutions – the MoIDP and SESA as well as the MSCY and its Youth Agency. The budget for programmes implemented by the agencies, as well as the programmes themselves, is approved annually by the Government of Georgia. Part of the funding for these schemes and initiatives comes from international donors.

### **Quality assurance**

Quality assurance measures are integrated into each programme/sub-programme implemented by the abovementioned institutions as an inherent component. As an example, the sub-programme for enhancing the professional qualifications of jobseekers includes activities such as developing specialised

monitoring forms, conducting surveys with employers and beneficiaries, analysing the survey results, and systematising and delivering the findings to the MoIDP on a monthly basis.

### **3.7 Cross-border mobility in employment, entrepreneurship and vocational opportunities**

#### **Programmes and schemes for cross-border mobility**

The involvement of various entities – from governmental bodies to international organisations and civil society – is pivotal in creating and supporting cross-border employment mobility opportunities for young people. State agencies, supported by intergovernmental agreements, play a key role, but a significant portion of these opportunities are facilitated by the interventions of CSOs, international NGOs and international partnerships.

#### ***Promoting international work experience and entrepreneurial skills***

The implementation of temporary interstate migration schemes is one of the important functions of SESA. Agreements and relevant implementation protocols for circular labour migration have been signed with four partner countries: Germany, Israel, France and Bulgaria. As of 2023, SESA is directly involved in the implementation of agreements with two countries, namely Israel and Germany.

Young people have the opportunity to apply for jobs abroad through a dedicated [web portal](#).

It is noteworthy that the majority of cross-border mobility opportunities in employment, entrepreneurship and VET are made available to young people through interventions initiated and implemented by CSOs, INGOs and international partnerships. These interventions often focus on providing young people with opportunities to gain international work experience, develop entrepreneurial skills and access quality VET programmes, thereby enhancing their career prospects and personal growth.

The [Erasmus+ VET programme](#) of the European Commission is one such initiative aimed at promoting co-operation between VET providers, enhancing the quality of education and fostering internationalisation. It offers opportunities for learners and staff to gain experience abroad, facilitates the development of partnerships among VET providers across Europe, and encourages the exchange of best practices and innovative approaches in the VET field.

#### ***Capacity building in vocational education and training***

These are international co-operation projects based on multilateral partnerships between organisations active in the VET field. They aim to support the relevance, accessibility and responsiveness of VET institutions and systems as drivers of sustainable socio-economic development. Thematic areas may include:

- professional development for VET teachers/trainers;
- quality assurance mechanisms;
- support for the development of green and digital skills;
- work-based learning.

#### ***Mobility for learners and staff***

The purpose of mobility activities funded by Erasmus+ is to provide learning opportunities to individuals, while also supporting the internationalisation and institutional development of VET providers and other organisations in the VET sector.

VET providers can apply for short-term projects for the mobility of learners and staff, which afford applicant organisations the opportunity to organise various mobility activities over a period of 6-18 months. Applicant organisations must be established in an associated (programme) country of the Erasmus+ programme. As Georgian VET providers are institutions from a non-associated (partner) country, they can only host incoming learners and staff. This structure aims to facilitate a diverse and inclusive learning environment, promoting international exposure for learners and staff alike.

### ***Centres of Vocational Excellence***

This action supports the gradual establishment and development of European platforms of Centres of Vocational Excellence (CoVEs), contributing to regional development, innovation and smart specialisation strategies, as well as fostering international collaborative platforms.

CoVEs are characterised by their adoption of a systemic approach. They are expected to go far beyond simply providing high-quality vocational qualifications. Features characterising these transnational co-operation platforms include a diverse array of activities, which are grouped under three clusters:

- teaching and learning to provide excellent VET, ensuring all learners have the skills required to thrive in their chosen field;
- co-operation and partnerships include CoVEs working in tandem with various stakeholders, including businesses, local communities and other educational institutions, to ensure that their vocational training is relevant and impactful;
- governance and funding, where CoVEs follow transparent governance structures and have reliable sources of funding, ensuring sustainability and the continuous provision of quality vocational education.

These facets form the core pillars of the CoVE approach to vocational training, reinforcing their commitment to excellence in vocational education and their contribution to regional and international development.

### **Legal framework**

No specific provisions exist for the cross-border mobility of young workers in Georgia, but general employment laws apply. The Law of Georgia [On the legal status of aliens and stateless persons](#) sets out social and work-related rights. Foreigners can enter and stay in Georgia via a visa, residence permit or other means outlined in Georgian legislation.

Foreigners enjoy the same rights, freedoms and duties as Georgian citizens unless stated otherwise by this Law. They can engage in investment and entrepreneurial activities, with the same rights and responsibilities as Georgian citizens, subject to the country's legislation. The employment of foreigners in Georgia is governed by the Law.

Healthcare access for foreigners is also in line with Georgian laws. Foreigners permanently residing in Georgia are eligible for assistance, pensions and other social benefits. Those temporarily resident in Georgia have the right to social security that is determined by Georgian law and any international agreements.

For a work residence permit, foreigners must submit proof of their entrepreneurial or employment activities and a certificate of monthly income at least five times the average Georgian's subsistence minimum. Lastly, foreigners in Georgia are taxed in the same manner as Georgian citizens.

### **3.8 Development of entrepreneurial competence**

#### **Policy framework**

The Law [On Vocational Education](#) identifies one of its goals as the adaptation of professional education to the current and future requirements of the labour market, with a focus on preparing individuals for employment and entrepreneurial activity.

#### ***Strategic initiatives for youth entrepreneurship development***

According to the 2022-30 Unified National Strategy of Education and Science, an entrepreneurship module has been developed as a mandatory component at the VET level over the past decade, aiming to foster entrepreneurial mindsets. However, as previously stated, the strategy underscores the lack of a unified approach to lifelong learning within the education and vocational training system, which would ideally serve to intertwine the system with the development of entrepreneurship.

[The Conceptual Document on the Development of Youth Entrepreneurship](#) was elaborated by the Youth Agency and its partners within the framework of the EU-funded project [Skills4Success](#). This document aims to design specific activities and recommendations in collaboration with young people and other stakeholders while drawing from best practices across Europe. Its objective is to support the achievement of the goals outlined in the 2023-26 State Youth Strategy regarding the development of entrepreneurship among youth. The key priority directions of the document include:

- creating a policy and legislative framework that supports youth entrepreneurship;
- strengthening formal and non-formal education in entrepreneurship;
- enhancing access to financial and sales markets for young entrepreneurs;
- implementing programmes and initiatives that support young entrepreneurs;
- raising awareness about entrepreneurship across society.

#### ***Commitment to lifelong learning and promoting entrepreneurship education***

The strengthening and promotion of entrepreneurship education among young people are among the main commitments of the 2022-30 strategy. According to the document, the government, in collaboration with donors and stakeholders, will work towards nurturing the creative and entrepreneurial abilities of educators and students across all levels of education, from pre-school to tertiary education.

#### **Formal learning**

The Georgian Government aims to promote the development of creative and entrepreneurial skills among educators, students and adult learners from pre-school to tertiary level. This initiative also strives to strengthen the business linkages of academic and scientific staff and to ensure the protection of intellectual property rights. The government's strategic direction includes increasing the number of highly qualified and globally competitive specialists in the field of information technology.

#### ***Empowering entrepreneurial skills in vocational education and training***

At the VET level, a particular emphasis will be placed on developing entrepreneurial skills. To achieve this goal, a new module focused on the development of entrepreneurial skills will be introduced across all VET

programmes. Additionally, mechanisms will be established to encourage entrepreneurial ideas among students and graduates.

GITA, operating under the MESD, provides various educational opportunities in technological entrepreneurship for young people.

### ***Activities to foster entrepreneurship in youth***

The action plan of the 2023-26 State Youth Strategy includes several activities aimed at fostering the development of entrepreneurial skills among young people. These activities include:

- implementation of a pre-accelerator programme in universities and regional hubs;
- execution of an innovative camp programme for students, high school students and grant programme finalists;
- support and implementation of measures (trainings, creation/dissemination of educational materials) promoting the development of competencies necessary for entrepreneurship, including green and digital entrepreneurship, among young people;
- financing of entrepreneurial projects/initiatives prepared by young people;
- introduction of the conceptual document for the development of youth entrepreneurship;
- preparation of recommendations for the development of social entrepreneurship tailored to the needs of young people;
- implementation of various types of information and advocacy campaigns promoting the development of social entrepreneurship.

[Junior Achievement Georgia](#) is implementing the innovative programme Basics of Entrepreneurship, which aims to equip high school students with practical business and economic skills. The intervention follows a “learning by doing” approach, where students learn about key aspects of entrepreneurship by establishing and managing a simulated enterprise known as a “student company”.

### **Non-formal and informal learning**

Entrepreneurship education plays a pivotal role in the initiatives undertaken by civil society actors and international development schemes.

Several programmes are worth highlighting. For instance, the Skills4Success project engaged more than 500 young people in entrepreneurship laboratories, providing a practical approach to entrepreneurial learning.

Additionally, the [Centre for Strategic Research and Development of Georgia](#) has conducted a social entrepreneurship programme since 2009. It aims to foster social entrepreneurship, positioning it as an innovative means of facilitating social and economic inclusion for Georgia’s vulnerable groups.

[Actio](#) is an impact-focused investment fund that aids Georgian social enterprises, executed by the Centre for Strategic Research and Development of Georgia. Birthed from the EU-funded project Collaborate for Impact, which fosters social entrepreneurship and social investments in Eastern Partnership nations, Actio’s objective is to bolster the expansion and influence of social enterprises, thus aiding the growth of Georgia’s social economy.

Furthermore, Junior Achievement Georgia has rolled out numerous interventions designed to promote entrepreneurship education within a non-formal setting, catering to diverse learning preferences. One of their notable initiatives is the [Youth Entrepreneurial Skills for Advancing Employability and Income Generation in Georgia](#) programme. Co-funded by the [United States Agency for International Development \(USAID\)](#) and known colloquially as “Yes – Georgia”, this programme aims to enhance youth employability by encouraging youth-led enterprises. It offers innovative skills training and introduces fresh perspectives to high school students in the 10th, 11th and 12th grades. The ultimate goal of this project is to contribute to the economic empowerment of Georgian youth, cultivating a future generation of entrepreneurial thinkers.

The [EU4Business](#) initiative offers advice, consultancy and enterprise development support to its recipients, as well as loans and grants to smaller businesses.

The regional [EU4Youth programmes](#) conduct a variety of projects to enhance digital competencies, social entrepreneurship and career management among socially disadvantaged youth, with a focus on boosting young entrepreneurship within the green and digital economies. In the frame of EU4Youth activities, a range of skills development events were hosted in Georgia, alongside offering youngsters practical training, internships and grants to bring their business concepts to life.

Locally, non-formal and informal learning chances are extended to youngsters via municipal youth schemes or actions from local CSOs. However, these learning opportunities can be somewhat sporadic and inconsistent.

### **Educator support in entrepreneurship education**

In August 2022, Junior Achievement Georgia launched the [Economic Empowerment of Georgia’s Young Women](#) project. This one-year initiative is designed to foster entrepreneurship among young women living in the rural areas of Georgia. The project is being undertaken in partnership with USAID Georgia and the [Coca Cola Foundation](#). As part of the project, 30 teachers from public schools and colleges across 3 regions of Georgia receive training. These teachers subsequently establish entrepreneurial education groups and deliver Junior Achievement’s Be Entrepreneurial programme to around 1 000 young women in their schools and community colleges.

Another project implemented by Junior Achievement Georgia is [Viable and Sustainable Entrepreneurship Education in Georgia](#) (2019-22). This initiative aimed to empower educators in entrepreneurship education and was carried out in partnership with [Junior Achievement Estonia](#), with financial support from [Estonian Development Cooperation](#).

### 3.9 Start-up funding for young entrepreneurs

#### Access to information

GITA, operating under the MESD, serves as the primary state institution that furnishes start-up funding for young entrepreneurs engaged in technological entrepreneurship.

The lion's share of start-up funding opportunities are presented by civil society entities within the framework of local, national and international interventions. One such example is the Skills4Success project that has [provided start-up funding](#) for more than 50 initiatives conceived by young individuals.

#### Access to capital

Access to capital is named as one of the main obstacles for the development of small and medium enterprises (SMEs), while improving access to capital is identified as one of the key priorities in the [2021-25 SMEs Development Strategy of Georgia](#). The strategy aims to achieve this through the development of state financing programmes, the establishment of alternative financing mechanisms, the enhancement of financial literacy, the expansion of the subject of pledging, the improvement of transparency and quality of SMEs' financial information, and the further development of the venture capital and business angels ecosystem. These objectives are considered crucial for the strategy's success.

The majority of interventions that seek to provide entrepreneurship skills to young people in non-formal settings often incorporate a small grant component. However, it is important to note that the funding opportunity in this case is exclusively accessible to project participants.

[Startup Georgia](#) was established by the JSC [Partnership Fund](#) in 2016 as part of the state's economic reform initiatives, aiming to promote the growth of start-ups in Georgia. The programme offered financing opportunities to individuals or groups with innovative business ideas, including young people. However, it is worth noting Startup Georgia's website has not displayed any activity since the end of 2021.

The following programmes, despite not being exclusively designed for young people, offer a multitude of opportunities for their participation in Georgia's entrepreneurial landscape.

[500 Global](#) is one of the most expansive acceleration programmes on a global scale. Introduced to Georgia in 2020 and running biannually, it invites start-ups to engage in an intensive, multi-phased acceleration process. Budding entrepreneurs have the chance to refine their business models, expand their professional networks, and showcase their developmental progress during a public demo day. Not only does this platform offer a boost to many Georgian start-ups, but it also continues to foster potential relationships with investors and catalyse meaningful business partnerships. This promising initiative is backed by Georgia's Agency for Innovation and Technologies and the Bank of Georgia.

[Startaper](#) is an initiative by [JSC TBC Bank](#) aimed specifically at nurturing the growth of the start-up sector. As a highly recognised brand, TBC extends a wide range of services to small entrepreneurs. These include leasing and lending options that are thoughtfully tailored to the specific needs of start-ups. In addition to the financial benefits provided, participating start-ups can avail themselves of a specialised course designed to enhance their start-up development knowledge.

[Shark Tank Georgia](#), the Georgian counterpart of the globally popular TV show, has effectively attracted a slew of investors and encouraged funding for a plethora of innovative ideas. The show's format allows participants to pitch their unique business ideas to an array of investors with the aim of securing investment. A diverse range of start-ups and projects have been successful contenders across the show's two seasons, and have received funding for their ideas.

[Produce in Georgia](#), a financing programme established in 2014 as a collaborative venture between the MESD and the [Ministry of Environmental Protection and Agriculture of Georgia](#), offers grants to micro and small entrepreneurs. Welcoming applicants from the age of 18 upwards, this initiative provides a suitable financing option for aspiring businesspeople across a broad age spectrum.

The [Axel](#) is a network of angel investors specifically set up to aid early-stage start-ups in their quest for investment. With a robust network of over 60 investors, Axel has swiftly carved out a significant place for itself in the start-up ecosystem, efficiently enabling entrepreneurs to attract essential investments.

### 3.10 Promotion of entrepreneurship culture

#### Special events and activities

While no specific state programmes or initiatives exclusively focusing on fostering an entrepreneurial culture among young people are publicly available, several broader initiatives and agencies serve this purpose within their remits.

GITA plays a pivotal role in this regard. While not explicitly youth-focused, GITA engages in projects and programmes that nurture an entrepreneurial culture among its participants, inevitably including young people. It offers a variety of services, such as promoting technological entrepreneurship, supporting start-ups through incubation and acceleration programmes, and facilitating innovation in existing companies. By cultivating an entrepreneurial mindset among its participants, GITA contributes significantly to the development of the youth entrepreneurial scene in Georgia.

Similarly, the governmental programme [Produce in Georgia](#) embodies the promotion of entrepreneurial culture as one of its primary objectives. Jointly implemented by the MESD and the Ministry of Environmental Protection and Agriculture of Georgia since 2014, this programme actively encourages entrepreneurial spirit within its participants, regardless of age. Produce in Georgia offers comprehensive support in the form of advice, training and financial aid, thus stimulating entrepreneurial behaviour and aiding in the growth and diversification of the Georgian economy. This programme indirectly benefits young entrepreneurs by cultivating an environment that encourages entrepreneurial initiatives and the development of new businesses.

Although neither of these initiatives are youth-centric, their inherent objectives and activities contribute significantly to instilling an entrepreneurial culture within the younger generation. As a result, these efforts pave the way for a more vibrant and dynamic entrepreneurial ecosystem in Georgia.

#### Networks and partnerships

The [Entrepreneurs Association](#) and the Social Entrepreneurship Alliance represent key non-commercial organisations at the national level, both striving to foster an entrepreneurial culture in Georgia. These organisations not only advocate for the interests of entrepreneurs but also actively facilitate an environment conducive to business innovation and growth. Their initiatives range from mentoring programmes, networking events and policy advocacy to training sessions, all designed to inspire, educate and support aspiring and existing entrepreneurs.

In addition, a significant number of entrepreneurship education programmes targeting young people – whether delivered within formal, non-formal or informal settings – inherently contribute to the promotion of an entrepreneurial culture. These programmes equip young participants with entrepreneurial skills, foster a can-do mindset and encourage innovative thinking. They often include a variety of activities such as workshops, case studies, simulations, project work and mentoring, which collectively stimulate entrepreneurial attitudes and behaviours among young people. [LINKS](#), [Skills4Success](#), [Actio](#) and [EU4Youth](#) are just a few examples of initiatives and programmes serving this purpose.

Therefore, through a combination of targeted initiatives by dedicated organisations and the broader impact of entrepreneurship education programmes, a culture of entrepreneurship is progressively being cultivated within the young population of Georgia. These efforts, in turn, contribute to the country's dynamic and innovative business landscape.

### **3.11 Current debates and reforms**

#### **Forthcoming policy developments**

##### ***Regional study for local vocational education and training institutions and alumni surveys***

As of May 2023, the Skills Agency is embarking on a pioneering [initiative](#) centred around conducting a comprehensive regional study of the labour market. This endeavour primarily seeks to equip local VET institutions with the necessary tools and expertise to research and understand the distinct needs and requirements pertinent to their respective regions within the scope of VET.

Dedicated to continuous improvement, the Skills Agency regularly surveys its alumni to gather feedback and insights from graduates of its education or training programmes. This practice aids in assessing programme effectiveness, highlighting improvement areas, and collecting data on graduate outcomes and successes. Moreover, in its innovative approach, the Skills Agency has recently launched a new qualifications development methodology emphasising rigorous field research. This strategy secures first-hand information on the skills and competencies needed in various sectors, ensuring that the qualifications offered are aligned with industry needs and reflect the skills employers seek.

##### ***Insights of the Youth Entrepreneurship Conceptual Document***

The Youth Entrepreneurship Conceptual Document was unveiled to stakeholders at the [Youth Policy Dialogue closing conference](#) (24 May 2023). This event, organised by [Konrad-Adenauer-Stiftung](#) and [Save the Children International](#) and supported by the EU, provided an ideal platform for sharing these insights.

The Conceptual Document will provide a succinct overview of the current state of entrepreneurship in Georgia, placing particular emphasis on youth entrepreneurship across the domains of social, green and digital ventures. It will also discuss policy documents aimed at developing youth entrepreneurship, existing state/donor programmes and interventions that encourage youth entrepreneurship, and it will highlight European best practices (with a special focus on Estonian models) to boost youth entrepreneurship.

The creation of the Conceptual Document was grounded in participatory methods, involving interested stakeholders in the process of idea generation through kick-off and focus group meetings. This collaborative approach led to the formulation of recommendations, which were then shared with a broader audience. The Conceptual Document and its associated action plan are slated for release by mid 2023 for interested stakeholders.

##### **Ongoing debates**

An Interagency Council of State Youth Policy is currently in the process of being established under the Youth Agency as the key cross-sectoral co-operation mechanism for the implementation of the state youth strategy and the action plan.

The Strategy for Professional Orientation, Consultation and Career Planning System in Formal Education (2022-26) is being elaborated by the Skills Agency as of July 2023. The strategy outlines the recommended approach for the advancement of career management services within the formal education sector.

## References

### Legislation and official policy documents

2017-2021 Unified Education and Science Strategy (last accessed 06/07/2023).

Government of Georgia (საქართველოს მთავრობა) 2019/662 [Ordinance on the Approval of the National Strategy 2019-2023 for Labour and Employment Policy of Georgia](#) (საქართველოს შრომისა და დასაქმების პოლიტიკის 2019-2023 წლების ეროვნული სტრატეგიის დამტკიცების თაობაზე) (last accessed 06/07/2023).

Government of Georgia (საქართველოს მთავრობა) 2023/17. [Ordinance on the approval of 2023 State Employment Support Programme](#) (დადგენილება დასაქმების ხელშეწყობის 2023 წლის სახელმწიფო პროგრამის დამტკიცების შესახებ) (last accessed 06/07/2023).

Government of Georgia (საქართველოს მთავრობა) 2013/258. [Ordinance on the approval of the regulation of the tripartite commission of social partnership](#) (დადგენილება სოციალური პარტნიორობის სამმხრივი კომისიის დებულების დამტკიცების თაობაზე) (last accessed 06/07/2023).

Government of Georgia (საქართველოს მთავრობა) 2022/416 [Ordinance on the approval of the rules and conditions for the implementation of the professional educational program/short cycle educational program/professional training program/professional retraining program](#) (დადგენილება პროფესიული საგანმანათლებლო პროგრამის/მოკლე ციკლის საგანმანათლებლო პროგრამის/პროფესიული მომზადების პროგრამის/პროფესიული გადამზადების პროგრამის სამუშაოზე დაფუძნებული სწავლების ფორმით განხორციელების წესისა და პირობების დამტკიცების შესახებ) (last accessed 05/07/2023).

Government of Georgia (საქართველოს მთავრობა) 2015/676 [Ordinance on the approval of the standard of comprehensive service of vocational counseling and career planning services and the sub-standard of vocational counseling and career planning for job seekers](#) (დადგენილება პროფესიული კონსულტირებისა და კარიერის დაგეგმვის მომსახურების სრულყოფილი სერვისის სტანდარტის განსაზღვრისა და სამუშაოს მაძიებელთათვის პროფესიული კონსულტირებისა და კარიერის დაგეგმვის ქვესტანდარტის დამტკიცების შესახებ) (last accessed 05/07/2023).

Government of Georgia (საქართველოს მთავრობა) 2014/410 [Resolution on the approval of the state programme on the rules and conditions of internship in a public institution](#) (საჯარო დაწესებულებაში სტაჟირების გავლის წესისა და პირობების შესახებ“ სახელმწიფო პროგრამის დამტკიცების თაობაზე) (last accessed 05/07/2023).

Government of Georgia (საქართველოს მთავრობა) 2022/606 [Ordinance on the Approval of the State Youth Strategy 2023-2026 and action plan 2023](#) (სახელმწიფოს ახალგაზრდული სტრატეგია 2023-2026-ისა“ და მისი 2023 წლის სამოქმედო გეგმის დამტკიცების შესახებ) (last accessed 06/07/2023).

Government of Georgia (საქართველოს მთავრობა) 2021/352 [Ordinance on the approval of the strategy for the development of small and medium entrepreneurship of Georgia for the years 2021-2025 and the action plan of the development strategy of small and medium entrepreneurship of Georgia for the years 2021-2022](#) (საქართველოს მცირე და საშუალო მეწარმეობის განვითარების სტრატეგიის 2021 – 2025 წლებისათვის და საქართველოს მცირე და საშუალო მეწარმეობის განვითარების სტრატეგიის 2021-2022 წლების სამოქმედო გეგმის დამტკიცების შესახებ) (last accessed 07.07.2023).

[Government Program 2021-2024 Toward Building a European State](#) (სამთავრობო პროგრამა 2021-2024 „ევროპული სახელმწიფოს მშენებლობისთვის“) (last accessed 04/07/2023).

Minister of Education, Sports and Youth of Georgia (საქართველოს განათლების, სპორტისა და ახალგაზრდობის მინისტრი) 2020/1216 Order [On the approval of the rules for recognising results achieved within the framework of formal education](#) (ბრძანება ფორმალური განათლების ფარგლებში მიღწეული სწავლის შედეგების აღიარების წესის დამტკიცების შესახებ)(last accessed 07/07/2023).

Ministry of Education and Science of Georgia (საქართველოს განათლებისა და მეცნიერების სამინისტრო) [2022-2030 Unified National Strategy of Education and Science of Georgia](#) (საქართველოს განათლებისა და მეცნიერების ერთიანი ეროვნული სტრატეგია 2022-2030) (last accessed 06/07/2023).

National Centre for Educational Quality Enhancement (განათლების ხარისხის განვითარების ეროვნული ცენტრი) [Authorisation Council for VET Institutions](#) (პროფესიული საგანმანათლებლო დაწესებულებების ავტორიზაციის საბჭო) (last accessed 06/07/2023).

Parliament of Georgia (საქართველოს პარლამენტი) 2020/ 7054 რს [Georgian National Youth Policy Concept 2020-2030](#) (2020-2030 წლებისთვის საქართველოს ახალგაზრდული პოლიტიკის კონცეფცია) (last accessed 05/07/2023)

Parliament of Georgia (საქართველოს პარლამენტი) 2021/ 4113-რს [Labour Code of Georgia](#) (საქართველოს შრომის კოდექსი) (last accessed 05/07/2023).

Parliament of Georgia (საქართველოს პარლამენტი) 2010/3531 [Law on Education Quality Development](#) (კანონი განათლების ხარისხის განვითარების შესახებ) (last accessed 06/07/2023).

Parliament of Georgia (საქართველოს პარლამენტი) 2021/875-Vრს-Xმპ [Law of Georgia on Entrepreneurs](#) (საქართველოს კანონი მეწარმეთა შესახებ) (last accessed 06/07/2023).

Parliament of Georgia (საქართველოს პარლამენტი) 2021 [Law of Georgia on Facilitation of Employment](#) (საქართველოს კანონი დასაქმების ხელშეწყობის შესახებ) (last accessed 06/07/2023).

Parliament of Georgia (საქართველოს პარლამენტი) 2045/III [Law of Georgia on the legal status of aliens and stateless persons](#) (საქართველოს კანონი უცხოელთა და მოქალაქეობის არმქონე პირთა სამართლებრივი მდგომარეობის შესახებ)(last accessed 06/07/2023).

Parliament of Georgia (საქართველოს პარლამენტი) 2018/3442-ის [Law of Georgia on Vocational Education](#) (საქართველოს კანონი პროფესიული განათლების შესახებ)(last accessed 06/07/2023).

State Internship Program ([სტაჟირება საჯარო სამსახურში](#)) (last accessed 05/07/2023).

## Data and statistics

National Statistics Office of Georgia (საქართველოს სტატისტიკის ეროვნული სამსახური) [Employment and unemployment](#) (დასაქმება და უმუშევრობა) (last accessed 06/07/2023).

## Studies, reports and academic publications

Bidzinashvili B., 2022. Green economy as a means of bringing the highest capitalization to Georgia ([მწვანე ეკონომიკა, როგორც ყველაზე მაღალი კაპიტალიზაციის მოტანის საშუალება საქართველოში](#)) (last accessed 29/07/2023).

Burkadze Z., 2022. [How Russia's War Against Ukraine Affects Georgia](#) (last accessed 29/07/2023).

Chikovani E., 2021. Labor market policy in Georgia: current challenges and future tasks ([მრომის ბაზრის პოლიტიკა საქართველოში: არსებული გამოწვევები და სამომავლო ამოცანები](#)) (last accessed 29/07/2023).

Danish Trade Union Development Agency, 2021. [Labour Market Profile Georgia - 2021](#) (last accessed 05/07/2023).

European Training Foundation, 2022. [A Review of National Career Development Support Systems– Armenia, Azerbaijan, Georgia and Ukraine](#) (last accessed 05/07/2023).

European Training Foundation, 2022. [Key Policy Developments in Education, Training and Employment - Georgia 2022](#), (last accessed 06/07/2023).

European Training Foundation, 2022. [Labour Market Policies Georgia](#) (last accessed 05/07/2023).

European Training Foundation, 2022. [National Career Development Support System Review – Georgia](#) (last accessed 05/07/2023).

European Training Foundation, 2022. [Youth Transition and Skills Mismatch in Eastern Partnership Countries](#) (last accessed 05/07/2023).

[Midterm Evaluation of the Unified Strategy for Education and Science 2017-2021](#)(last accessed 06/07/2023).

## Official websites

[500 Global](#) (last accessed 05/07/2023).

[Agency for State Care and Assistance for Victims of Human Trafficking](#) ([სახელმწიფო ზრუნვისა და ტრეფიკინგის მსხვერპლთა, დაზარალებულთა დახმარების სააგენტო](#)) (last accessed 20/06/2023).

[Association of Youth Workers of Georgia](#) ([საქართველოს ახალგაზრდულ მუშაკთა ასოციაცია](#)) (last accessed 06/07/2023).

[Axel-Georgian Business Angel Network](#) (last accessed 28/06/2023).

[Cedefop – European Centre for the Development of Vocational Training](#) (last accessed 06/07/2023).

[Centre for Strategic Research and Development of Georgia](#) ([საქართველოს სტრატეგიული კვლევებისა და განვითარების ცენტრი](#)) (last accessed 06/07/2023).

[Coca-Cola Foundation](#) (last accessed 05/07/2023).

[Education Management Information System](#) ([განათლების მართვის საინფორმაციო სისტემა](#)) (last accessed 05/07/2023).

Entrepreneurs Association ([ანტრეპრენერთა ასოციაცია](#)) (last accessed 05/07/2023).

[Erasmus+ VET programme](#) (last accessed 02/07/2023).

[Estonian Development Cooperation](#) (last accessed 07/07/2023).

[EU4Business – Georgia](#) (last accessed 03/07/2023).

[EU4Youth Youth Employment and Entrepreneurship](#) (last accessed 05/07/2023).

European Training Foundation <https://www.etf.europa.eu/en> (last accessed 06/07/2023).

[European Union for Georgia](#) (last accessed 07/07/2023).

[EU NeighboursEast](#) (last accessed 06/07/2023).

[EU NeighboursEast - EU4Youth programme creates Telegram chat-bot game on fair employment for Georgian and Moldovan youth](#) (last accessed 07.07.2023).

Georgian Chamber of Commerce and Industry ([საქართველოს სავაჭრო-სამრეწველო პალატა](#)) (last accessed 06/07/2023).

Georgian Civil Development Association ([საქართველოს სამოქალაქო განვითარების ასოციაცია](#)) (last accessed 06/07/2023).

Georgian Employers Association ([საქართველოს დამსაქმებელთა ასოციაცია](#)) (last accessed 06/07/2023).

Georgian Herb Producers' Association ([საქართველოს მწვანის მწარმოებელთა ასოციაცია](#)) (last accessed 06/07/2023).

Georgia's Innovation and Technology Agency ([საქართველოს ინოვაციების და ტექნოლოგიების სააგენტო](#)) (last accessed 05/07/2023).

Georgian Trade Union Confederation ([საქართველოს პროფესიული კავშირების გაერთიანება](#)) (last accessed 02/07/2023).

International Organization for Migration–Georgia ([მიგრაციის საერთაშორისო ორგანიზაცია საქართველო](#)) (last accessed 06/07/2023).

[International Trade Union Confederation](#) (last accessed 06/07/2023).

JSC TBC Bank ([სს თი ბი სი ბანკი](#)) (last accessed 06/07/2023).

[Junior Achievement Estonia](#) (last accessed 05/07/2023).

[Junior Achievement Georgia](#) (last accessed 06/07/2023).

Junior Achievement Georgia – [Youth Entrepreneurial Skills for Advancing Employability and Income Generation in Georgia](#) (last accessed 06/07/2023).

Junior Achievement Georgia [Economic Empowerment of Georgia's Young Women](#) (last accessed 06/07/2023).

Junior Achievement Georgia [Viable and Sustainable Entrepreneurship Education in Georgia](#) (last accessed 05/07/2023).

[Konrad Adenauer Foundation South Caucasus](#) (last accessed 06/07/2023).

[Labour Inspection Office \(შრომის ინსპექციის სამსახური\)](#) (last accessed 04/07/2023).

[Labour Market Information System https://www.lmis.gov.ge/Lmis/Lmis.Portal.Web/Default.aspx](https://www.lmis.gov.ge/Lmis/Lmis.Portal.Web/Default.aspx) (last accessed 06/07/2023).

[Ministry of Internally Displaced Persons from the Occupied Territories, Labour, Health, and Social Affairs \(საქართველოს ოკუპირებული ტერიტორიებიდან დევნილთა, შრომის, ჯანმრთელობისა და სოციალური დაცვის სამინისტრო\)](#) (last accessed 06/07/2023).

[Ministry of Economy and Sustainable Development of Georgia \(საქართველოს ეკონომიკისა და მდგრადი განვითარების სამინისტრო\)](#) (last accessed 06/07/2023).

[Ministry of Education and Science of Georgia \(საქართველოს განათლებისა და მეცნიერების სამინისტრო\)](#) (last accessed 04/07/2023).

[Ministry of Environmental protection and Agriculture \(გარემოს დაცვისა და სოფლის მეურნეობის სამინისტრო\)](#) (last accessed 05/07/2023).

[National Assessment and Examinations Centre \(შეფასებისა და გამოცდების ეროვნული ცენტრი\)](#) (last accessed 06/07/2023).

[National Center for Education Quality Enhancement \(განათლების ხარისხის განვითარების ეროვნული ცენტრი\)](#) (last accessed 06/07/2023).

[National Centre for Teacher Professional Development \(მასწავლებელთა პროფესიული განვითარების ეროვნული ცენტრი\)](#) (last accessed 06/07/2023).

[National Statistics Office of Georgia \(საქართველოს სტატისტიკის ეროვნული სამსახური\)](#) (last accessed 06/07/2023).

[One Year of War in Ukraine and Risk Assessment for Georgia: Five \(updated\) Scenarios, 2023](#) (last accessed 29/07/2023).

[Open Society Georgia Foundation \(ღია საზოგადოების ფონდი საქართველო\)](#) (last accessed 06/07/2023).

[Pan-European Regional Council](#) (last accessed 02/07/2023).

[Partnership Fund \(საპარტნიორო ფონდი\)](#) (last accessed 05/07/2023).

[Produce in Georgia \(აწარმოე საქართველოში\)](#) (last accessed 05/07/2023).

[Save the Children in Georgia](#) (last accessed 06/07/2023).

[Save the Children International](#) (last accessed 05/07/2023).

[Search System for entrants - Select your profession \(საძიებო სისტემა აბიტურიენტებისათვის 'აირჩიე შენი პროფესია'\)](#) (last accessed 06/07/2023).

[Skills4Jobs Technical Assistance Project](#) (last accessed 07/07/2023).

[Skills4Success \(უნარები წარმატებისათვის\)](#) (last accessed 05/07/2023).

Social Entrepreneurship Alliance Georgia ([საქართველოს სოციალურ საწარმოთა ალიანსი](#)) (last accessed 29/07/2023).

Social entrepreneurship in Georgia ([სოციალური მეწარმეობა საქართველოში](#)), 2023 (last accessed 29/07/2023)

Startup Georgia ([სტარტაპ საქართველო](#)) (last accessed 05/07/2023).

[Telegram Chat-bot Game @fairlabour for Georgia](#) (last accessed 07/07/2023)

[The Georgia Fair Labor Platform](#) (last accessed 05/07/2023).

[The World Bank](#) (last accessed 25/05/2023).

Unemployment as an economic challenge of the 21st century on the example of Georgia ([უმუშევრობა , როგორც 21-ე საუკუნის ეკონომიკური გამოწვევა საქართველოს მაგალითზე](#)), 2023 (last accessed 29/07/2023)

United Nations Association of Georgia ([საქართველოს გაეროს ასოციაცია](#)) (last accessed 06/07/2023).

[United States Agency for International Development in Georgia](#) (last accessed 05/07/2023).

Vocational Skills Agency ([პროფესიული უნარების სააგენტო](#)) (last accessed 05/07/2023).

Youth Agency ([ახალგაზრდობის სააგენტო](#)) (last accessed 02/07/2023).

Young Pedagogues Union ([ახალგაზრდა პედაგოგთა კავშირი](#))(last accessed 05/05/2023).