



EU for Integrated Territorial Development (EU4ITD) – Catalysing Economic and Social Life (CESL)

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- **Partner:** Ministry of Regional Development and Infrastructure of Georgia (MRDI);
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- **Budget:** €7,5 million.



“EU4ITD – Catalysing Economic and Social Life in PIRDP Regions” (CESL) aims at re-balancing economic and social life in Georgia away from the metropolitan centres of Tbilisi and Batumi. As it complements the national programme, the PIRDP,¹its remit is restricted to the four regions of Guria, Imereti, Kakheti, Racha-Lechkhumi and Kvemo Svaneti.

CESL is embedded in the wider national agendas of decentralisation, inclusive economic growth, and promotion of social cohesion across the country.

CESL’s main focus concerns the identification, selection, and co-financing of investments in municipally-owned infrastructure. All 23 projects selected are “regional”²and “integrated”.³



- Eight projects⁴are supported under the “Urban Renewal” priority. For example, the local museum in Dedoplistskaro is being redeveloped to attract more visitors, and also to double as an economic and social space for the community. Meanwhile, the youth centre being established in the centre of Zestaphoni will not only provide space for young people to congregate but should also enable them to engage with local democratic processes and enter the local economy.
- The “Tourism Development” priority covers a further eight projects.⁵Among them is the development of a southern entrance to Kolkheti Natinoal Park, with a visitors’ centre, boat tours and kayak rental; operated by the municipality itself, the facility should result in increased economic opportunities in Lanchkhuti. Similarly, in Akhmeta investment in Bakhtioni Forest Park should boost the local economy, though here the project builds on cultural, rather than natural, heritage (the location being of national historical significance, while abandoned Soviet construction is being repurposed).
- The seven projects⁶under the “Income Generation” priority include, for example, the establishment of an agro-market in Lentekhi to allow the local population to sell, store, and access agricultural and other produce throughout the year, as well as the better monitoring of food safety issues. And in Samtredia, the modernisation of the ferry over the Rioni should result in a shorter connection to Vani (and particularly to its famous museum) and easier access by local famers to land plots on the other side of the river.

A smaller strand of CESL directly addresses income generation and economic activation by financing investments benefiting the private sector. Thus, five grant schemes implemented by two municipalities (Lagodekhi, Lanchkhuti) and three CSOs will provide equipment to a minimum of 120 rural women and/or youth selected on the basis of their business ideas for expansion or start-up. Meanwhile, filling gaps in regional or location-specific value chains by supplying necessary plant to regional actors will result in soil and wine analysis capacity in Kakheti, tea packaging facilities in Guria, and cheese aging equipment in Imereti; in turn, producers’ costs should go down and/or quality go up thereby leading to increased income. And in Western Georgia, the development of an Oda house route will leverage vernacular architecture typical of the region for the economic gain of people using their Oda houses as premises for economic activities (e.g. hospitality, tea/wine tasting).



CESL’s front office comprises eight staff, five working out of Tbilisi, with two in Kutaisi and one in Telavi.

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1 The Pilot Integrated Regional Development Programme is a national initiative led by MRDI addressing four out of 11 regions in Georgia; it is supported financially by the EU under the “EU for Integrated Territorial Development” (EU4ITD) programme.
2 i.e. projects should have a scope wider than a single municipality
3 i.e. projects should inter alia result in social as well as economic benefits, and bring together the local authority, the private sector and/or civil society
4 In Chiatura, Dedoplistskaro, Gurjaani, Khoni, Telavi, Tkibuli, and Zestaphoni
5 In Akhmeta, Chiatura, Kutaisi, Lanchkhuti, Tsageri, Telavi, and Tkibuli
6 In Baghdati, Kharagauli, Kutaisi, Kvareli, Lentekhi, Oni, and Samtredia