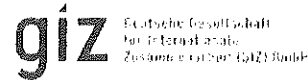


**Contract for Local Subsidies  
with EU Cofinancing**



Contract number: 83453090  
Project processing number: 19.2204.6-013.00  
Project: Good Governance for Local Development – EU4ITD  
Catalysing Economic and Social Life  
Country: Georgia  
Contact at GIZ : Sandra Schenke (Country Director)  
31a Griboedov Street, 0108 Tbilisi

The  
**Deutsche Gesellschaft für  
Internationale Zusammenarbeit (GIZ) GmbH  
Dag-Hammarskjöld-Weg 1 - 5  
65760 Eschborn, Germany**

hereinafter referred to as 'GIZ'

and  
**Legal Entity of Public Law (LEPL) Municipality of Kvareli  
241578574**  
represented by

**Mr. Givi Zautashvili, Mayor**  
in #1 Kudigora Street 4800, Kvareli  
hereinafter referred to as 'the recipient'

herewith conclude the present agreement concerning a local  
subsidy.

The basis for granting this local subsidy to Legal Entity of Public Law  
(LEPL) Municipality of Kvareli is the commission of Federal Ministry  
for Economic Cooperation and Development (hereinafter referred to  
as 'BMZ') dated 11.02.2022.

Deutsche Gesellschaft für  
Internationale Zusammenarbeit (GIZ) GmbH

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Jochen Flasbarth, State Secretary

Management Board  
Therese Schärer-Gümbel (Chair)  
Ingrid-Gabriela Koven (Vice-Chair)  
Anna Sophie Herken

Commerzbank AG Frankfurt am Main  
BIC (SWIFT): COBADE33XXX  
IBAN: DE44 5007 0000 0508 0550 00

GIZ provides the subsidies pursuant to this contract exclusively on behalf of and for the account of BMZ.

The commission issued by BMZ is **co-financed** by the **European Commission** under a Contribution Agreement dated 10.12.2021 concluded between the EU and GIZ.

## 1. Amount, term and use of the local subsidy

- 1.1 On behalf of the Federal Republic of Germany, represented by BMZ, GIZ provides the recipient with a local subsidy cofinanced by the EU for implementation of the project specified in Section 1.3 in the amount of  
**up to 238,061.00 GEL**

(in words: Two hundred Thirty-eight thousand sixty-one and 00/100 Georgian Lari)

The contract amount does not include VAT. (The status of tax privilege within this agreement can be found under the following link: <https://rs.ge/TaxPrivileges> indicating ID code of the recipient).

- 1.2 The local subsidy is provided for the period 07.11.2023 to 06.09.2024 (support period). Expenditures that arise or are effected outside the support period are not eligible for funding under the subsidy.
- 1.3 The objective of this local subsidy is **Arranging the exhibition-selling point for locally made handicrafts and rehabilitation of central square**. To achieve this, the recipient shall carry out the following measures:
- Procurement of:
    - **A) Works for i)** building a new exhibition-sale point, infrastructure upgrading of the square (financed under the grant); **ii)** arrangement of green layers of the square, arrangement water systems and renovation/refunction of the old toilet in the square

(financed by municipal budget) – 2 separate procurement procedures for i) and ii).

- **B) Supplies** – i) eco-friendly smart solar benches, new trash bins (under the grant); ii) equipment for the sales point (with municipal funds) - again, separate procurement procedures
  - Identifying local businesses to operate in the selling point and concluding agreements with them.
  - Information dissemination among entrepreneurs and tour operators about new touristic destination
- 1.4 The project description dated 02.10.2023 (**Annex 4**) and the budget 02.10.2023 (**Annex 5**) prepared by the recipient for implementing the project constitute the binding framework for implementation of the measures set out in Section 1.3. This local subsidy shall be used exclusively for the implementation of these measures in accordance with the project description and the budget. Any remaining amount must be repaid to GIZ. Any additional costs arising shall be borne by the recipient.
- 1.5 The recipient shall be advised in implementing the measures specified in Section 1.3 by Akaki Rukhadze and shall comply with their recommendations.

## **2. Disbursement of the local subsidy**

- 2.1 The recipient must meet the following conditions before the local subsidy is disbursed:
- The recipient must sign this agreement in a legally binding manner
- 2.2 The disbursement of this local subsidy shall take the form of advance payments in instalments (in accordance with **Annex 3**) in line with **Quarterly** funding requirements.

If at least 80% of the previous disbursement has been used for implementing the project, evidence of this has been provided, and settlement has been completed

in accordance with Section 3, the next advance payment can be requested. The advance payments must be requested in writing in accordance with Annex 3.

Any residual funds held by the recipient will be offset against the following disbursement

- 2.3 The recipient shall set up a separate bank account or separate sub-account or a separate cost unit in its own accounting system for the financial management of the contract and shall provide GIZ with evidence that this has been done when it submits a request for the first advance payment. All funding under this local subsidy must be booked separately from funds provided by other donors.
- 2.4 Upon receipt of a subsidy disbursement, the recipient shall provide GIZ with a properly signed receipt specifying the purpose for which the subsidy is to be used. For bank transfers, the recipient shall submit with the next statement of account the voucher specifying that the funds have been received (bank statement).
- 2.5 Individual costings in **Annex 5** of the agreement may only be exceeded by 20% if the increase can be offset by savings in other cost items and if this is necessary in order to implement the project.

### **3. Financial settlement of the local subsidy and reporting**

- 3.1 Together with the proper evidence as specified below, the recipient shall complete, sign, and submit the List of expenditures attached as Annex 1.
- 3.2 The recipient shall provide evidence of the proper use of funds. As evidence of this, the recipient shall submit to GIZ, as originals in each case, duly receipted commercial invoices, along with proof that services have been performed and payments made and/or receivables record sheets, which the recipient has

checked and signed as factually correct within 2 weeks after the end of the respective advance payment period. The recipient shall submit all documents in German, English, French or Spanish or attach a translation into one of those languages.

- 3.3 For cash disbursements in foreign currency, the recipient shall submit original currency exchange vouchers.
- 3.4 The recipient shall submit a written report on the progress of implementation and success of the financed measure together with the final settlement of accounts. The report shall provide an accurate account of implementation of the measure, difficulties encountered, changes introduced, as well as the degree of achievement of its results as measured by the indicators listed in the log frame, if any. The report will contain chapters with narrative and financial reports.
- 3.5 After all activities are completed, any remaining funds shall be repaid to GIZ without a further request to this effect.
- 3.6 The recipient shall keep books, records and the originals of the supporting documents, clearly identifying all project expenditures on goods and services for five (5) years after submission of the final settlement of accounts, or up to the date of the limitation period of any claim pursuant to the applicable law governing the agreement and any procurement contracts concluded, if the latter lasts longer. This does not apply as far as the original supporting documents have been submitted to GIZ according to Section 3.2 above.

#### **4. Procurement procedure**

When awarding contracts for supplies and services to be financed from this local subsidy, the recipient shall observe the regulations laid down in Georgia and the provisions specified in **Annex 2** (Awarding contracts for supplies and services), which constitutes a component of this agreement. The documents specified in **Annex 2** are to be submitted with the corresponding vouchers. All contract

awards for supplies and services shall be made in close consultation with the GIZ advisor or the GIZ country office.

Ownership of all objects procured or produced for the measure must be transferred on or before the completion date of the measure to the designated transferee in accordance with the stipulated purpose of the project and at GIZ's discretion. GIZ and the recipient will coordinate this transfer of ownership at the appropriate time, but at the latest before submission of the final evidence of use of funds. The report on transfer of ownership must be included in the documentation provided as evidence of the use of funds, and a record of handover must be submitted.

The procurement of supplies and services must comply with the highest possible sustainability standards.

**5. Employment contract**

If salaries are financed, the recipient shall conclude employment contracts with the persons concerned in accordance with local regulations. Copies of the employment contracts must be submitted at the latest together with the request for disbursement of the first advance payment.

**6. Project audit**

The recipient shall enable GIZ and third parties appointed or designated for the purpose by it and/or representatives of the EU to examine the books and documents kept for the financed measures at any time, and to inspect the procured or produced items or results of work, and shall provide all requested information. This includes, where appropriate, on-site checks and inspections.

## **7. Rights of Use**

The recipient hereby grants GIZ an irrevocable, non-exclusive, worldwide, gratuitous, transferable right of use to all work outcomes developed or procured in connection with implementing the project and financed, in full or in part, from the local subsidy, including but not limited to reports, studies, documents and construction plans prepared in connection with this agreement as well as computer programs; GIZ may exert this right of use without any limitation of time or contents for non-commercial purposes including but not limited to processing and translation and for use in electronic media. On request by GIZ, the recipient shall immediately provide a copy of the materials available to GIZ. GIZ is entitled to grant third parties simple sub-rights of use.

**8. Legal compliance and compliance with environmental and social standards**

- 8.1 The recipient undertakes to use the funds from this local subsidy in compliance with the legal provisions applicable to it and with due regard to the principles of multilateral agreements for the protection of human rights and of the environment and climate. In particular, the recipient shall observe the ILO's core labour standards. It shall also ensure that measures are in place to protect children, prevent violence, abuse or exploitation of any kind, prevent discrimination (in particular with regard to origin, ethnicity, religion, age, gender identity, sexual orientation or disability) and promote equality of opportunity for all genders.
- 8.2 The recipient undertakes to use the funds from this local subsidy in such a manner that it endeavours to avoid or reduce unintended negative impacts on the environment and climate, adaptation to climate change, human rights, fragile contexts and contexts affected by conflict and violence, and gender equality by implementing attributable mitigation measures. At the same time, the recipient undertakes to use any potential for promoting gender equality
- 8.3 The recipient shall take appropriate measures to prevent sexual harassment in a work context and shall not incite to violence or hate and any unwarranted discrimination of individuals or groups

**9. Combating money laundering, funding of terrorism and bribery, and upholding embargoes**

- 9.1 The recipient shall not support measures of any kind that are conducive to money laundering, the funding of terrorist activities or corruption.
- 9.2 The recipient shall take an impartial and loyal manner at all times and avoid any conflicts of interest. A conflict of interest may arise for reasons involving economic interests, political affinities or national ties, family or friend relationships or any other interests.

- 9.3 The recipient shall ensure that the persons it has charged with the preparation and implementation of the specified measures, and in particular with the awarding of contracts for the supplies and services being financed, do not demand, accept, provide, grant, pledge or have pledged to them any illegal payments or other advantages in connection with these tasks.
- 9.4 The recipient shall not make available, either directly or indirectly, any funds or other economic resources from the GIZ local subsidy to third parties that are on a sanctions list of the United Nations and/or the EU. In the framework of this subsidised project, the recipient may enter into contractual or business relations and/or maintain such relations only with third parties that are reliable and to whom no statutory ban on doing business or entering into contracts applies. Furthermore, the recipient shall comply with any embargoes or any other trade restrictions issued by the United Nations, the EU or the Federal Republic of Germany in the framework of implementation of this subsidised project

## **10. Data protection**

- 10.1 GIZ may process personal data in connection with this contract exclusively in accordance with the General Data Protection Regulation of the European Union (GDPR). Such data may be processed solely for the purpose of implementing, managing and monitoring this contract or for safeguarding the financial interests of the EU, including controls, audits and inspections. The recipient has the right to view, erase or correct its personal data and may contact GIZ ([datenschutzbeauftragter@giz.de](mailto:datenschutzbeauftragter@giz.de)) or the government bodies responsible for such matters in order to assert its rights.
- 10.2 When processing personal data in connection with this contract, the recipient shall comply with the applicable data protection regulations of the EU and of national legislation (including approval and reporting obligations). The recipient shall allow its employees access to the data only to the extent absolutely

necessary for implementing, managing or monitoring the contract and shall require its employees to maintain data confidentiality. Personal data must be treated confidentially by the recipient in all circumstances. The recipient shall implement technical and organisational security precautions appropriate to the risks arising from data processing and to the type of personal data concerned. The recipient shall inform its employees that their personal data will be collected and processed by GIZ. For this purpose, the recipient must make corresponding data protection statements available to them.

## **11. Force majeure**

Force majeure is an unavoidable event (e.g. natural disaster, outbreak of disease or epidemic, serious unrest, war or terrorism) that no human foresight or experience could anticipate, that cannot be evaded or overcome applying reasonable efforts and utmost care and that constitutes an impediment to GIZ and/or the recipient fulfilling their contractual obligations. Neither GIZ nor the recipient shall be liable for failing to perform their obligations arising from this contract if they are impeded by force majeure in the fulfilment of such obligations, provided that the party affected by such an event has taken all appropriate precautionary measures, due care and appropriate alternative measures with the aim of fulfilling its obligations under this contract to the extent possible. Any party affected by an event as defined in this section must give notice to the other party of the impediment and its effect on its ability to perform as soon as possible.

## **12. Withholding and cancellation of disbursement, repayment of the local subsidy**

- 12.1 GIZ is entitled to suspend or cancel disbursement of the local subsidy in part or in full if an event occurs that is detrimental to the contract. In particular, such an event occurs when:

- a) the recipient is unable to provide evidence of the use of the local subsidy for the purpose laid down in this agreement;
- b) the recipient fails to use or no longer uses items purchased for the project and financed from the local subsidy for the purposes of this agreement;
- c) the recipient has made incorrect disclosures or fraudulently withheld information related to the subsidy before entering into this agreement or during its implementation;
- d) the recipient has breached other significant terms of this agreement;
- e) exceptional circumstances arise that seriously jeopardise or entirely prevent achievement of the purpose of the local subsidy, the implementation of the project or the fulfilment of the obligations entered into in this agreement by the recipient; or

the Government of the Federal Republic of Germany or the EU terminates, suspends or modifies the corresponding contract with GIZ that forms the basis for this local subsidy.

12.2 GIZ is furthermore entitled to terminate this contract in part or in full with immediate effect if any of the events set out in Section 12.1 a) to f) occur. If any of the events set out in Section 12.1 a) to d) occur, GIZ is entitled to terminate the agreement with immediate effect if the situation is not corrected within a period to be defined by GIZ; this period may not be less than 30 days. If the events set out in Section 12.1 e) or 12.1 f) occur, there is no requirement for such a period to be set by GIZ.

12.3 After termination of this contract and upon demand from GIZ, the recipient must immediately repay to GIZ the unused funds from the local subsidy for which there are no further liabilities of the recipient within the meaning of this agreement. This also includes all proceeds and returned funds.

The recipient undertakes to demand repayment of funds that were paid or committed on a legally binding basis to third parties in good faith and within the meaning of this agreement prior to termination and to repay these to GIZ. Repayment is limited to the amount that the recipient receives from the third

party in question after carrying out all reasonable measures including legal action. The recipient must give immediate notice to terminate existing obligations to third parties (e.g. employment contracts, rental contracts, loans).

If the event set out in 12.1 a) occurs, the recipient must repay not only the unused funds from the local subsidy but also such funds as have not demonstrably been used correctly by it for the purpose set out in the contract.

If the event set out in 12.1 b) occurs, the recipient must repay not only the unused funds from the local subsidy but also those funds that have been used for the items in question.

### **13. Final provisions**

- 13.1 The annexes to the contract shall constitute components of this contract.
- 13.2 Should individual provisions of this agreement be or become invalid, this shall not affect the validity of all other provisions under the agreement. In this event, GIZ and the recipient shall replace any such invalid provision with a valid provision that best reflects the meaning and purpose of the invalid provision and that can be assumed to be what GIZ and the recipient would have agreed upon when the agreement was signed had they been aware of or foreseen that the provision could be or become ineffective or null and void. The same applies to any omissions in this agreement.
- 13.3 Supplements and amendments to this **contract** are valid only when made in writing
- 13.4 In any publication, communication and/or visibility activities on or referring to the project, the recipient shall always indicate in an appropriate manner that it is conducting or conducted its activities within the framework of a project implemented by GIZ and financed by the Government of the Federal Republic of Germany and cofinanced by the European Union.

In order to ensure that all publication, communication and/or visibility activities are in accordance with the latest version of the Communication and Visibility Requirements for EU External Action, which is accessible under [https://ec.europa.eu/international-partnerships/comm-visibility-requirements\\_en](https://ec.europa.eu/international-partnerships/comm-visibility-requirements_en), and the Communication and Visibility Plan, which is an Annex of the cofinancing agreement concluded between GIZ and the EU, the recipient shall contact GIZ prior to any publication, communication and/or visibility activity under this agreement and shall follow any instructions given by GIZ in order to align the communication activities with the Communication and Visibility Plan. The recipient shall also contact GIZ prior to any publication, communication and/or visibility activities which call for low-visibility or zero-visibility measures.

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**14. Applicable law**

14.1 This agreement shall be governed by the law applicable at the official location of the recipient.

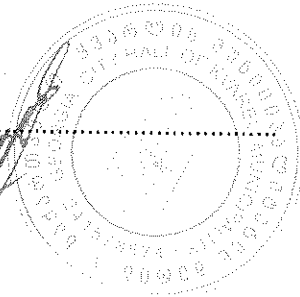
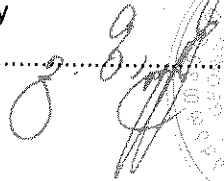
14.2 The place of jurisdiction shall be in Georgia

Issued as two originals, one for the recipient and one for GIZ.

Tbilisi, 07.11.2023 Givi Zautashvili  
Mayor of Kvareli Municipality

.....  
Place, date

.....  
Signature of recipient



Tbilisi, 07.11.2023

Sandra Schenke

Country Director

GIZ-Office Tbilisi



.....  
Signature of GIZ

Dr. Anka Derichs

Programme Director

Good Governance for Local

Development, South Caucasus

EU4ITD - Catalysing Economic and

Social Life in PIRDP Regions (CESL)



.....  
Signature of GIZ

Annexes:

- Annex 1 List of expenditures
- Annex 2 Awarding contracts for supplies and services
- Annex 3 Request for advance payment
- Annex 4 Project description dated (02.10.2023)
- Annex 5 Budget dated (02.10.2023)
- Annex 6 Communication and Visibility Plan (Annex VI of Contribution Agreement between the EU Commission and GIZ)



**For local subsidies for commissions placed by BMZ, German Federal Foreign Office and other public commissioning parties**

**Annex 2**

**AWARDING CONTRACTS for supplies and services**

The regulations of the recipient country must always be observed as the award is for the local procurement of supplies and services. The procedures described below constitute minimum standards. Section 4 'Contract award procedure' applies to the procurement of supplies. The procurement of supplies and services must comply with the highest possible sustainability standards.

<b>Contract value</b>	<b>Procedure</b>	<b>Contract award documentation</b>
<b>SUPPLIES and SERVICES</b>		
up to EUR 1,000.00	<ul style="list-style-type: none"> <li>Contract award without competitive tender (direct award) or call under framework contract (if applicable) permissible</li> </ul>	<ul style="list-style-type: none"> <li>Justification of contract award: written documentation of contract award decision and competitive tender if applicable</li> </ul>
from EUR 1,000.01 to EUR 20,000.00	<ul style="list-style-type: none"> <li>Solicit at least three written tenders for comparison</li> <li>Public or restricted tender pursuant to own criteria</li> </ul>	<ul style="list-style-type: none"> <li>Justification of contract award: written documentation of competitive tender and contract award decision</li> <li>Any formal invitation to tender must be documented.</li> </ul>
from EUR 20,000.01	<ul style="list-style-type: none"> <li>Public or restricted tender</li> </ul>	<ul style="list-style-type: none"> <li>Justification of contract award: written documentation of competitive tender and contract award decision</li> </ul>

The discretionary award of a contract to a specific contractor without competitive tendering is possible only in justified exceptional cases, for example, if the service can be carried out or provided only by one specific company (unique selling point) or if three local tenderers do not exist. This must be documented in the justification of contract award.

**Annex 3**

**Request for advance payment**

recipient

Name:

Address:

Email:

To

Deutsche Gesellschaft für  
Internationale Zusammenarbeit (GIZ) GmbH

Contract number:

Project processing number:

Request for advance payment

For the period from            to

In accordance with Section 2.2 of the Contract for a Local Subsidies  
we hereby request the following advance payment

(currency) (amount)

Preferred method of payment (please mark with an x)

cheque

transfer to the following bank account:

Account holder:

Bank details

Evidence that a separate bank account/separate sub-account/separate cost unit has been  
opened is enclosed/was provided at the time of the first request for advance payment (if  
required according to Section 2.2 of the contract).

.....  
Place, date

.....  
Signature of the recipient

.....  
Place, date

.....  
Signature of the GIZ officer responsible for  
contract and cooperation

awards for supplies and services shall be made in close consultation with the GIZ advisor or the GIZ country office.

Ownership of all objects procured or produced for the measure must be transferred on or before the completion date of the measure to the designated transferee in accordance with the stipulated purpose of the project and at GIZ's discretion. GIZ and the recipient will coordinate this transfer of ownership at the appropriate time, but at the latest before submission of the final evidence of use of funds. The report on transfer of ownership must be included in the documentation provided as evidence of the use of funds, and a record of handover must be submitted.

The procurement of supplies and services must comply with the highest possible sustainability standards.

#### **5. Employment contract**

If salaries are financed, the recipient shall conclude employment contracts with the persons concerned in accordance with local regulations. Copies of the employment contracts must be submitted at the latest together with the request for disbursement of the first advance payment.

#### **6. Project audit**

The recipient shall enable GIZ and third parties appointed or designated for the purpose by it and/or representatives of the EU to examine the books and documents kept for the financed measures at any time, and to inspect the procured or produced items or results of work, and shall provide all requested information. This includes, where appropriate, on-site checks and inspections.

## **7. Rights of Use**

The recipient hereby grants GIZ an irrevocable, non-exclusive, worldwide, gratuitous, transferable right of use to all work outcomes developed or procured in connection with implementing the project and financed, in full or in part, from the local subsidy, including but not limited to reports, studies, documents and construction plans prepared in connection with this agreement as well as computer programs; GIZ may exert this right of use without any limitation of time or contents for non-commercial purposes including but not limited to processing and translation and for use in electronic media. On request by GIZ, the recipient shall immediately provide a copy of the materials available to GIZ. GIZ is entitled to grant third parties simple sub-rights of use.

**8. Legal compliance and compliance with environmental and social standards**

8.1 The recipient undertakes to use the funds from this local subsidy in compliance with the legal provisions applicable to it and with due regard to the principles of multilateral agreements for the protection of human rights and of the environment and climate. In particular, the recipient shall observe the ILO's core labour standards. It shall also ensure that measures are in place to protect children, prevent violence, abuse or exploitation of any kind, prevent discrimination (in particular with regard to origin, ethnicity, religion, age, gender identity, sexual orientation or disability) and promote equality of opportunity for all genders.

8.2 The recipient undertakes to use the funds from this local subsidy in such a manner that it endeavours to avoid or reduce unintended negative impacts on the environment and climate, adaptation to climate change, human rights, fragile contexts and contexts affected by conflict and violence, and gender equality by implementing attributable mitigation measures. At the same time, the recipient undertakes to use any potential for promoting gender equality

8.3 The recipient shall take appropriate measures to prevent sexual harassment in a work context and shall not incite to violence or hate and any unwarranted discrimination of individuals or groups

**9. Combating money laundering, funding of terrorism and bribery, and upholding embargoes**

9.1 The recipient shall not support measures of any kind that are conducive to money laundering, the funding of terrorist activities or corruption.

9.2 The recipient shall take an impartial and loyal manner at all times and avoid any conflicts of interest. A conflict of interest may arise for reasons involving economic interests, political affinities or national ties, family or friend relationships or any other interests.

- 9.3 The recipient shall ensure that the persons it has charged with the preparation and implementation of the specified measures, and in particular with the awarding of contracts for the supplies and services being financed, do not demand, accept, provide, grant, pledge or have pledged to them any illegal payments or other advantages in connection with these tasks.
- 9.4 The recipient shall not make available, either directly or indirectly, any funds or other economic resources from the GIZ local subsidy to third parties that are on a sanctions list of the United Nations and/or the EU. In the framework of this subsidised project, the recipient may enter into contractual or business relations and/or maintain such relations only with third parties that are reliable and to whom no statutory ban on doing business or entering into contracts applies. Furthermore, the recipient shall comply with any embargoes or any other trade restrictions issued by the United Nations, the EU or the Federal Republic of Germany in the framework of implementation of this subsidised project

## **10. Data protection**

- 10.1 GIZ may process personal data in connection with this contract exclusively in accordance with the General Data Protection Regulation of the European Union (GDPR). Such data may be processed solely for the purpose of implementing, managing and monitoring this contract or for safeguarding the financial interests of the EU, including controls, audits and inspections. The recipient has the right to view, erase or correct its personal data and may contact GIZ ([datenschutzbeauftragter@giz.de](mailto:datenschutzbeauftragter@giz.de)) or the government bodies responsible for such matters in order to assert its rights.
- 10.2 When processing personal data in connection with this contract, the recipient shall comply with the applicable data protection regulations of the EU and of national legislation (including approval and reporting obligations). The recipient shall allow its employees access to the data only to the extent absolutely

necessary for implementing, managing or monitoring the contract and shall require its employees to maintain data confidentiality. Personal data must be treated confidentially by the recipient in all circumstances. The recipient shall implement technical and organisational security precautions appropriate to the risks arising from data processing and to the type of personal data concerned. The recipient shall inform its employees that their personal data will be collected and processed by GIZ. For this purpose, the recipient must make corresponding data protection statements available to them.

## **11. Force majeure**

Force majeure is an unavoidable event (e.g. natural disaster, outbreak of disease or epidemic, serious unrest, war or terrorism) that no human foresight or experience could anticipate, that cannot be evaded or overcome applying reasonable efforts and utmost care and that constitutes an impediment to GIZ and/or the recipient fulfilling their contractual obligations. Neither GIZ nor the recipient shall be liable for failing to perform their obligations arising from this contract if they are impeded by force majeure in the fulfilment of such obligations, provided that the party affected by such an event has taken all appropriate precautionary measures, due care and appropriate alternative measures with the aim of fulfilling its obligations under this contract to the extent possible. Any party affected by an event as defined in this section must give notice to the other party of the impediment and its effect on its ability to perform as soon as possible.

## **12. Withholding and cancellation of disbursement, repayment of the local subsidy**

- 12.1 GIZ is entitled to suspend or cancel disbursement of the local subsidy in part or in full if an event occurs that is detrimental to the contract. In particular, such an event occurs when:

- a) the recipient is unable to provide evidence of the use of the local subsidy for the purpose laid down in this agreement;
- b) the recipient fails to use or no longer uses items purchased for the project and financed from the local subsidy for the purposes of this agreement;
- c) the recipient has made incorrect disclosures or fraudulently withheld information related to the subsidy before entering into this agreement or during its implementation;
- d) the recipient has breached other significant terms of this agreement;
- e) exceptional circumstances arise that seriously jeopardise or entirely prevent achievement of the purpose of the local subsidy, the implementation of the project or the fulfilment of the obligations entered into in this agreement by the recipient; or

the Government of the Federal Republic of Germany or the EU terminates, suspends or modifies the corresponding contract with GIZ that forms the basis for this local subsidy.

12.2 GIZ is furthermore entitled to terminate this contract in part or in full with immediate effect if any of the events set out in Section 12.1 a) to f) occur. If any of the events set out in Section 12.1 a) to d) occur, GIZ is entitled to terminate the agreement with immediate effect if the situation is not corrected within a period to be defined by GIZ; this period may not be less than 30 days. If the events set out in Section 12.1 e) or 12.1 f) occur, there is no requirement for such a period to be set by GIZ.

12.3 After termination of this contract and upon demand from GIZ, the recipient must immediately repay to GIZ the unused funds from the local subsidy for which there are no further liabilities of the recipient within the meaning of this agreement. This also includes all proceeds and returned funds.

The recipient undertakes to demand repayment of funds that were paid or committed on a legally binding basis to third parties in good faith and within the meaning of this agreement prior to termination and to repay these to GIZ.

Repayment is limited to the amount that the recipient receives from the third

party in question after carrying out all reasonable measures including legal action. The recipient must give immediate notice to terminate existing obligations to third parties (e.g. employment contracts, rental contracts, loans).

If the event set out in 12.1 a) occurs, the recipient must repay not only the unused funds from the local subsidy but also such funds as have not demonstrably been used correctly by it for the purpose set out in the contract.

If the event set out in 12.1 b) occurs, the recipient must repay not only the unused funds from the local subsidy but also those funds that have been used for the items in question.

### **13. Final provisions**

- 13.1 The annexes to the contract shall constitute components of this contract.
- 13.2 Should individual provisions of this agreement be or become invalid, this shall not affect the validity of all other provisions under the agreement. In this event, GIZ and the recipient shall replace any such invalid provision with a valid provision that best reflects the meaning and purpose of the invalid provision and that can be assumed to be what GIZ and the recipient would have agreed upon when the agreement was signed had they been aware of or foreseen that the provision could be or become ineffective or null and void. The same applies to any omissions in this agreement.
- 13.3 Supplements and amendments to this **contract** are valid only when made in writing
- 13.4 In any publication, communication and/or visibility activities on or referring to the project, the recipient shall always indicate in an appropriate manner that it is conducting or conducted its activities within the framework of a project implemented by GIZ and financed by the Government of the Federal Republic of Germany and cofinanced by the European Union.

In order to ensure that all publication, communication and/or visibility activities are in accordance with the latest version of the Communication and Visibility Requirements for EU External Action, which is accessible under [https://ec.europa.eu/international-partnerships/comm-visibility-requirements\\_en](https://ec.europa.eu/international-partnerships/comm-visibility-requirements_en), and the Communication and Visibility Plan, which is an Annex of the cofinancing agreement concluded between GIZ and the EU, the recipient shall contact GIZ prior to any publication, communication and/or visibility activity under this agreement and shall follow any instructions given by GIZ in order to align the communication activities with the Communication and Visibility Plan. The recipient shall also contact GIZ prior to any publication, communication and/or visibility activities which call for low-visibility or zero-visibility measures.

Kvareli application.

## PROJECT APPLICATION

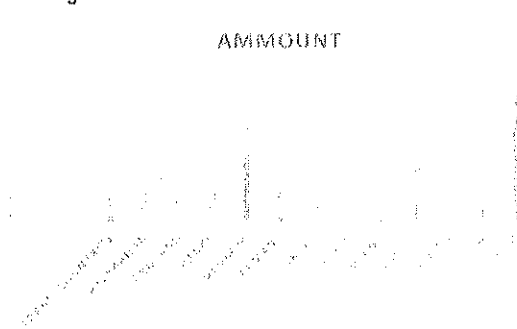
Applicant	Kvareli municipality city hall
Responsible person and position	Ketevan Zautashvili (head of international projects and tourism unit)
Contact person and position (if different)	
Name of project	Arranging the exhibition-selling point for locally made handicrafts and rehabilitation of central square.
Geographical coverage of project	Kvareli municipality
Project duration	10 months
Project total budget	309,904 GEL
Amount requested in grant funding	238,061 GEL
Co-financing – amount and source	71,843 GEL

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## 1 BACKGROUND

Kvareli municipality is situated in north-east part of the Kakheti region. It is bordered by Telavi, Gurjaani, and Lagodekhi municipalities and by the Dagestani republic of Russia. The area of the municipality is 1000,8 km<sup>2</sup>, from which, 36 % are agricultural land and 27 % are forests. Population – 30 000 (2014 census). Main sectors of economic are Agriculture, wine making and tourism. Kvareli is known by the "Kindzmarauli" micro zone, producing the region's most expansive grape cultivar (Saperavi of Kindzmarauli micro zone) which is used for production of semi-sweet "Kindzmarauli" red wine. As a touristic destination, Kvareli is still developing. Figure 1 shows the number of Kvareli tourism information centre and museum visitors in the first half of 2023. Since statistics of wine and food sector visitors at the municipal level are not collected, these numbers are in fact much higher because of the popularity of wine tourism (it is roughly estimated that the numbers indicated in figure 1 can be multiplied by a factor of 5). Number of investments done in the tourism sector is increasing. Wine tourism is the leading direction. With its natural and cultural resources, Kvareli has a potential to develop other directions of tourism, and



tourism related micro businesses. General plan of the city hall of Kvareli municipality is to implement local infrastructural projects helping development of local business. In 2022, municipality implemented two business related infrastructural projects financed under the national initiative, the Pilot Integrated Regional Development Programme. Main objective for the further development is to create a business environment, where locals are more involved not only as employees of big companies, but also as entrepreneurs. Promotion of tourism related local businesses, like handicrafts, will be an important contribution in the municipality's balanced economic development.

Figure 1. Number of Kvareli tourism information center and the museum visitors during the first 6 months of 2023.

## 2 RATIONALE

The issues that the proposed project seeks to address are as follows:

- Lack of formalised space for the exchange of goods in Kareli with the result that local producers have no regular place of sale (leading to reduced income),
- Proliferation of unregulated sale of (primarily agricultural handmade) goods (e.g. by the side of the road), which raises questions of food storage, food safety and is also associated with malign impacts on the local environment (e.g. littering).

It is proposed that the above issues are addressed with the establishment of a formalised market space on land owned by the municipality. This would have 15 stalls, and it is foreseen that in the first phase of the project that 15 entrepreneurs (mostly women) would sell their goods from this location. Looking further ahead, however, it is anticipated that the number of entrepreneurs should increase to something like 30, with occupation of stalls operating on a rotational basis. The infrastructure will be owned and managed by the municipality, with contracts concluded between the local administration and the entrepreneurs. Mostly such entrepreneurs would be based in Kvareli municipality itself, but it will also be possible for people/organisations from outside the local authority to operate out of the premises. The market space would operate year-round.

According to the information, taken from the Kvareli tourist information centre, visitors of Kvareli always ask about the place where they can visit, have a look, and buy the souvenirs or other handmade local products. At the same time, in Kvareli, operate number of handicraftsman (painters, sculptors etc.). For selling their products they use their houses, or online platforms. Non-existence of a handicrafts' selling point can be considered as a challenge for the tourism value chain.

#### Kvareli application.

In April 2023, initiative group of handicraftsmen, did the official statement to Kvareli municipality city hall to help in finding and developing a place in a central location, where they can sell their products.

Kvareli municipality administration also received an official statement from investors. They are asking for the central square rehabilitation. Next to the square, is situated one hotel and is planned to build 2 new hotels. Renovated environment will make the place more attractive for hotels' visitors and for all tourists in general.

Based on the demands from three sides – investors, consumers (tourists), and producers, Kvareli municipality city hall, elaborated the project idea. On the free area of the central square, municipality decided to arrange an exhibition-selling point for handicrafts and at the same time, municipality will renovate the square territory. The CESL grant will cover the following activities: procurement and installation of eco-friendly smart solar benches and new trash bins; infrastructure upgrading of the square territory; construction of exhibition-selling point. From its own budget, municipality will implement following activities: equipping the selling point, arrangement of green cover of the square, arrangement water systems and renovation/refunction of the old toilet building of the square.

Helping the project, municipality will promote local handicraft businesses. On the other hand, by renovating the place, municipality will create more attractive environment for the investors who plan to build hotels nearby. Number of hotel visitors will have to cross the square to enter the hotel buildings, so the place will become more crowded. This can ensure consumers' essential amount for the selling point. Project will also have a social role. Square will become a place where youth, especially with some talent, has the possibility to acquaint with local artists, who are ready to teach them and work with them.

In addition, next to the project area is also situated Kote Marjanishvili theatre building. Kvareli municipality plans to implement the complete rehabilitation of the theatre building. Renovated square with handicraft selling point and the rehabilitated theatre will create a complex, where the theatre visitor has an additional attraction before or after the theatrical performance.

### 3 PREPARATORY STEPS

Kvareli municipality established a coalition of partners where besides the units and NNLE of the city hall, are representatives of private sector and civil society. (See section 5). All participants are in active communication with each other. Coalition played a significant role in the elaboration of project idea (section 2). During and after the project implementation, partners will take their own responsibilities (section 6)

Project area is the municipal property. There is no need to take any permissions about the use of the territory or about the building new constructions. Cadastral code: 57.06.54.000.102.

Design documentation with BOQs (Bill of Quantities) and with independent expert's approval is received by the municipality with the official acceptance act. date: 01.09.2023.

Kvareli city council (the "Sakrebulo") issued a positive decision on the project. Date: 17.08.2023

The Gender Equality Council of Kvareli has issued an official support letter. Date: 30.09.2023

### 4 OBJECTIVE(S)

Creating a handicrafts' exhibition-selling point will be an important involvement to fill the gap in tourism value chain. Project aims to achieve following goals:

- Encouraging tourism-related business activities.
- Encouraging energy saving knowledge, by using modern renewable energy-saving technologies (lights, smart solar benches providing electricity and free internet) in a newly rehabilitated square.

Kvareli application.

- Activation of more private sector business initiatives adjacent to the square (e.g. attracting at least 2 more investments to build hotels nearby).
- Promote the square as one of the most important landmarks of the town and increase its attractiveness.

## 5 IMPLEMENTING & POST IMPLEMENTATION COALITION - PARTNERS

### 5.1 Coalition partners

Name of partner	Information on partner
<b>Public sector</b>	
City hall of Kvareli municipality	City hall is responsible for assistance the social and economic development of the municipality
NNLE Kvareli municipal centre for culture development	Established by the city hall. Unites 170 workers. Operates within the municipality
Tourism information centre of Kvareli	Centre operates under the subordination of city hall and Georgian national tourism administration. Its function is informational support of Kvareli visitors.
<b>Civil society</b>	
Initiative group of handicraftsmen	Non-formal union of local masters (painters, sculptors, souvenir producers etc). Union was formed around the project idea
<b>Private sector</b>	
LTD "Atlasi". Representative – Romani Bziava	Owner of the investment territory next to the project area
Ind. Entrepreneur Irakli Loliashvili	Owner of the investment territory next to the project area

### 5.2 Operating modalities of the coalition

During project implementation, members of the coalition will meet once a month to take necessary decisions.

## 6 ACTIVITIES DURING IMPLEMENTATION

#	Activities	Partner responsible
1	Signing grant contract with GIZ	City Hall
2	Obligatory amendment of municipal budget to reflect grant financing received	City hall
3	Procurement of: <ul style="list-style-type: none"> <li>• A) Works for i) building a new exhibition-sale point, infrastructure upgrading of the square (financed under the grant); ii) arrangement of green layers of the square, arrangement water systems and renovation/refunction of the old toilet in the square (financed by municipal budget) – 2 separate procurement procedures for i) and ii).</li> <li>• B) Supplies – i) eco-friendly smart solar benches, new trash bins (under the grant); ii) equipment for the sales point (with municipal funds) - again, separate procurement procedures</li> </ul>	City hall
4	Implementation of works (the contents of which are described above)	City hall

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#	Activities	Partner responsible
5	Installation of supplies (as described above)	City hall
6	Identifying local businesses to operate in the selling point and concluding agreements with them	NNLE Kvareli municipal centre for culture development
7	Information dissemination among entrepreneurs and tour operators about new touristic destination	All partners
8	Monitoring of project, including performance of the works	All partners

## 7 RESPONSIBILITIES POST-IMPLEMENTATION

#	Activities	Partner responsible
1	Operational and maintenance costs	City hall
2	Ensuring that the sales point is used by as many local entrepreneurs as possible for the sale of their goods	NNLE Kvareli municipal centre for culture development
3	Planning annual open exhibitions on the newly rehabilitated territory	All partners

## 8 LOCATION(S) AND IMPLEMENTATION PERIOD

Project area is the municipal property. There is no need to take any permissions about the use of the territory or about the building new constructions. Name: "9 April square"; Cadastral code: 57.06.54.000.102. See the [map](#) for the location.

Implementation period of the project as a whole will last 8 months after contract signing with CESL.

## 9 FINANCING

### 9.1 Financing from GIZ

See project budget.

### 9.2 Financing from applicant

See project budget.

The following activities will be covered from the applicant's own funds:

- equipping the sale point,
- arrangement water systems
- renovation/refunction of the old toilet of the square.
- arrangement of green layers of the square

The project has one design and BOQ documentation with one expert approval and receiving act form the municipality. Documents (mainly BOQs) are created in a mode, that enables the municipality to purchase works by two separate contracts – one under the CESL grant and another from its own budget. Costs of each action is calculated separately.

Kvareli application.

Note also that: 1) project management will be conducted by the applicant's employees as part of their daily work - i.e. under their employment contracts; 2) Checks on the performance of works by an independent engineer are required by law and will be covered from the municipal budget (costs are roughly estimated as around 2% of the construction costs, while the tasks is included under the activity "monitoring activities"). However, neither of these costs (i.e., for project management and checks on the performance of works) are indicated in the project's budget.

## 10 PROJECT TEAM

Partner	Position in the partner	Duties in the project
City hall	Head of infrastructure department	Inspection and coordination of projecting and construction activities
City hall	Head of international relations and tourism unit	Coordination with coalition partners, preparation progress and final reports, coordination with donor
City hall	Head of procurement department	Procurement (including preparation of documentation, launch, evaluation, conclusion of contract)
City hall	Head of internal audit department	Monitoring and evaluation of units involved in procurement procedures to be in accordance with Georgian legislation
NNLE Kvareli municipal centre for culture development	Head of NNLE. Manager of tourism information centre	Equipping exhibition space, coordination with entrepreneurs, information dissemination about the place
Initiative group of handicraftsmen	Group representative	Advises on the suitability of activities (during project implementation) so that they meet the private sector's needs once the infrastructure part of the project has been completed

## 11 MEASURES OF SUCCESS

By the end of project implementation period:

- 9 April square of Kvareli is completely renovated.
- One exhibition selling point with 49m<sup>2</sup> in the 9 April square of Kvareli is constructed, operational, and used by local entrepreneurs for the sale of their goods.
- 3 energy efficient smart solar benches with informational maps are installed and operational in the square.

Medium-term results (i.e., after project end):

- At least 10 local producers operate in the selling point arranged in the square. Average increase in income of the entrepreneurs working out of premises in the selling point has increased by 5% by 31 August 2025 compared 31 August 2023.
- Municipality has elaborated the plan to organize annual open exhibition event in the newly rehabilitated territory by date.

## 12 ARRANGEMENTS FOR MONITORING

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According to law, the works must be checked and certified by an independent engineer (via an external service contract with the municipality). The current provider of these services to Kvareli municipality is Engineering Monitoring Group Ltd. (which is responsible for checking/certifying all works performed on municipal property). As indicated above, the cost of these services is covered by the municipality's budget and are estimated to amount to 2% of the construction costs. The company specialist will conduct site visits every day.

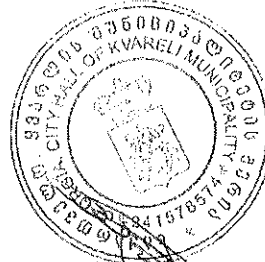
Coalition of partners will be involved in monitoring process too. Coalition will do the monitoring of the performance of the works (regarding quality of materials, adherence to quantities and the foreseen timeline, and the respect of national standards regarding, for example, accessibility and health & safety). At minimum, site visits will be conducted on a weekly basis and the information will be exchanged between partners and Engineering Monitoring Group.

The project overall will be monitored against the measures for success (see 10 above) and the indicative implementation schedule (see 12 below) at the monthly meetings of the implementing coalition (see 5.2 above), with appropriate follow-up measures defined and implemented.

Kvareli application.

13 INDICATIVE IMPLEMENTATION SCHEDULE PER PROJECT MONTH

#	Activity	1	2	3	4	5	6	7	8	9	10
1	Signing grant contract with GIZ	X									
2	Obligatory amendment of municipal budget to reflect grant financing received	X	X								
	Procurement of:										
3	<ul style="list-style-type: none"> <li>• <b>A) Works</b> for i) building a new exhibition-sale point, infrastructure upgrading of the square (financed under the grant); ii) arrangement of green layers of the square, arrangement water systems and renovation/refunction of the old toilet in the square (financed by municipal budget) – 2 separate procurement procedures for i) and ii).</li> <li>• <b>B) Supplies</b> – i) eco-friendly smart solar benches, new trash bins (under the grant); ii) equipment for the sales point (with municipal funds) - again, separate procurement procedures</li> </ul>		X	X							
4	Implementation of works (the contents of which are described above)				X	X	X	X	X		
5	Installation of supplies (as described above)						X	X			
6	Identifying local businesses to operate in the selling point and concluding agreements with them								X	X	
7	Information dissemination among entrepreneurs and tour operators about new touristic destination							X	X	X	
8	Monitoring of project, including performance of the works			X	X	X	X	X	X	X	X



*[Handwritten signature]*

*f. 53225 02.10.2023*

Project name | Arranging the exhibition-selling point for locally made handicrafts and rehabilitation of central square |  
 Beneficiary | Kvareli Municipality |  
 ბენეფიციარი | ყვარლის მუნიციპალიტეტი |  
 Project duration | 10 Months |  
 ხანგრძლივობა | 10 თვე

#	აღწერილობა   Description	ერთეული ერთეული   Unit	რაოდენობა   Quantity	ერთეულის ღირებულება   Unit Cost (ლარი   GEL)	საერთო ღირებულება   Total Price (ლარი   GEL)	დაფინანსება   Contribution		ხარჯის აღწერა   Description of the cost
						საპროექტო დახმარება   Support (ლარი   GEL)	მესამე პარტიის დახმარება   Contribution by third party (ლარი   GEL)	
<b>1. პერსონალის ხარჯი   Personnel costs</b>								
პროექტის განხორციელებაზე პასუხისმგებელი იქნება საგრანტო წინადადებაში მითითებული მუშაობის მუხლები   1.1 მუნიციპალიტეტის მუშაკი   Municipal staff indicated in the narrative grant proposal will be responsible for implementation of the project.								
				10	-	-	-	-
				10	-	-	-	-
<b>2. მოწყობილობა   Equipment, supplies</b>								
				3	13,461.50 ლ	40,384.80 ლ	-	-
2.1	სპარტანული სკამები   Smart solar benches	სკამი   unit						პარკის მოწყობისთვის საჭიროა სპარტანული სკამების დასაყენებლად. სკამები სპარტანულია და მათზე მუშაკი დასაყენებელი იქნება. მოხელის დასაყენებლად დასაყენებელი სკამები   The cost includes procurement and installation of smart solar benches, which are equipped with solar panel, lightbox, electric chargers and free WiFi.
2.2	ურნები/ ნაგებობები   trash bins	ურნი   unit						სკამების განლაგებისთვის საჭიროა ურნები   Small size wooden trash bins for the square
				11	225.00 ლ	2,475.00 ლ	-	-
				11	225.00 ლ	2,475.00 ლ	-	-
				11	225.00 ლ	2,475.00 ლ	-	-
<b>3. სამშენებლო სამუშაოები   Works</b>								
სკვრის დაზიანებული ინფრასტრუქტურის აღდგენის სამუშაოები   Demolition works of damaged infrastructure of the square								
3.1	სამშენებლო სამუშაოები   Demolition works of damaged infrastructure of the square	მ2   m2	8,940	0 ლ	1,656 ლ	-	-	სკვრის დაზიანებული ინფრასტრუქტურის აღდგენის სამუშაოები   Demolition works of damaged infrastructure of the square
3.2	სამშენებლო სამუშაოები   Construction works of exhibition building	მ2   m2	49	2,047 ლ	100,322 ლ	-	-	სკვრის დაზიანებული ინფრასტრუქტურის აღდგენის სამუშაოები   Construction works of exhibition building
3.3	სამშენებლო სამუშაოები   Infrastructure upgrading of the square	მ2   m2	8,940	4 ლ	33,684 ლ	-	-	სკვრის დაზიანებული ინფრასტრუქტურის აღდგენის სამუშაოები   Infrastructure upgrading of the square
				8,940	4 ლ	33,684 ლ	-	-
				8,940	4 ლ	33,684 ლ	-	-
				8,940	4 ლ	33,684 ლ	-	-



**Annex VI to the Contribution Agreement  
CRIS No ENI/2021/ 428-565**

**Communication & Visibility Plan**

**EU4ITD - Catalysing Economic and Social Life  
in PIRDP Regions**

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**List of Abbreviations**

BMZ	Federal Ministry for Economic Cooperation and Development
CSO	Civil Society Organisation
EG	Enterprise Georgia
ESTDEV	Estonian Centre for International Development
GITA	Georgia's Innovation and Technology Agency
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH
GNTA	Georgian National Tourist Administration
MESD	Ministry of Economy and Sustainable Development
MRDI	Ministry of Regional Development and Infrastructure
NALAG	National Association of Local Authorities of Georgia
PIRDP	Pilot Integrated Regional Development Programme

## 1 Introduction

This multi-donor Action is jointly co-financed by the European Union and the German Federal Ministry for Economic Cooperation and Development (BMZ) and implemented by GIZ to support “municipalities, businesses, and citizens in PIRDP regions [to] realise untapped economic and social potential”.<sup>1</sup> BMZ has commissioned GIZ with the implementation of the Action as part of the project “Good Governance for Local Development, South Caucasus”. The Estonian Centre for International Development (ESTDEV) will also participate in implementation; its involvement is foreseen via a grant financed under the Action, to be co-funded by the Estonian Ministry of Foreign Affairs, and whose specific scope will be detailed during the inception phase.

This Communication & Visibility Plan indicatively describes the Action’s communication and visibility measures.

The Action’s **overall objective**, to which its activities and results will contribute, is “improvement of economic and social life in PIRDP regions”. Its **specific objective** (outcome) is “municipalities, businesses, and citizens in PIRDP regions realise untapped economic and social potential”.

After more than a decade of public interventions in the field of local and regional development, the Georgian administration transitioned to a “place-based” (i.e. “integrated”) approach with the start-up of the **Pilot Integrated Regional Development Programme**. Most of the funding reserved for the implementation of this programme is supplied under the 2019 EU 4 Integrated Territorial Development initiative, whose allocation is split between budget support (40 MEUR) and complementary measures. Since this Action is one of these complementary measures, its outputs are in line with the Pilot Integrated Regional Development Programme and are as follows:

1. Municipalities turn “spaces” into “places”
2. Income generation and economic activation are catalysed
3. Institutions are enabled to tap unrealised economic and social potential

**Intervention areas** addressed under the outputs include: urban renewal (including soft measures to spark economic and social life); tourism development which is sensitive to citizens, as well as to cultural and natural heritage; and stimulation of private sector activity among target groups which might not be reached by existing support schemes (e.g. women who are not generating their own income), including in remote areas.

## 2 Framework

Communication and visibility measures will adhere to Article 8 of Annex II and the Communication and Visibility Requirements for EU External Actions published by the European Commission. Partners commit to implement the EU’s Supplementary Guidelines for Communication and Visibility Guidelines for EU-funded Projects in Georgia (to be downloaded [here](#)).

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<sup>1</sup> The Action’s Specific Objective

GIZ is subject to particular visibility obligations towards the German Government as foreseen in Article 10.6 of the Financial Framework Partnership Agreement (FFPA) signed by the European Commission and GIZ on 20 May 2019. The communication and visibility obligations of ESTDEV as an implementing entity will be set out in the grant agreement concluded between GIZ and ESTDEV.

This Plan makes reasonable efforts to reconcile the visibility requirements of all donors to the Action. In line with Chapter 5.5 of the Communication and Visibility Requirements for EU External Actions, the FFPA and this agreement take precedence if they contradict or otherwise deviate from the Requirements.

This Plan is indicative and may be revised during the Action's implementation period. It can be amended in writing without the need for a contract addendum.

### 3 Objectives

#### 3.1 Communication Objectives

Communication will occur throughout the project cycle. Communication and visibility activities will be properly sequenced to achieve maximum impact. They will inform target audiences about the reasons for the Action, the support provided by the EU and BMZ, and the outcomes and impact of that support.

Communication measures will emphasise the tangible results and impact of the Action rather than administrative milestones or financial inputs. They will ensure wide and timely information and publicity and seek to maximise synergies with the relevant general EU communication strategy.

The **overall objective** is to support the implementation of the Action by highlighting its results and impacts, while ensuring a high participation of partners and target groups.

The **specific objectives** are to:

- Establish a credible EU/Member State (i.e. Germany, Estonia) message that frames Georgia's commitment to place-based territorial development in the context of the wider decentralisation reform.
- Support the transition to place-based territorial development by illustrating its positive impact, the advantages it brings to local communities, and the autonomy it affords municipalities.
- Raise awareness of the importance of local and regional development in Georgia.
- Disseminate results, best practices and impacts of the Action.
- Ensure transparency of the Action's activities and sources of funding.

#### 3.2 Target Groups and Key Messages

GIZ will review the appropriateness and suitability of the target groups and key messages throughout the implementation period and propose revisions as necessary. Feedback from the Project Steering Committee will be considered in this process.

Target Group	Key Message(s)
<p>The <b>first target group</b> comprises the <b>direct beneficiaries</b> of the Action, thus:</p> <ul style="list-style-type: none"> <li>• 1) The 26 local self-government Councils and administrations (both individual and in groupings, such as Regional Consultative Councils), and the four Governor's Offices in PIRDP regions;</li> <li>• 2) Individual entrepreneurs (particularly women and youth) and micro- and small MSMEs from PIRDP regions</li> </ul>	<p>Key messages here relate to stimulating the interest of and actively engaging the target group (since without this, it will not be possible to implement the Action).</p> <ul style="list-style-type: none"> <li>• 1.1) Integrated territorial development (which necessarily considers economic, social and environmental aspects and directly involves citizens and the private sector) builds political and administrative legitimacy, and increases local administrations' autonomy.</li> <li>• 1.2) Working across municipal (and regional) boundaries is often mutually advantageous for the local administrations (and regions) involved, and is sometimes necessary to realise certain benefits.</li> <li>• 2) Starting up new income generation activities or expanding small-scale operations is a realistic path towards economic and social empowerment, and not only urban centres, but also in remote areas.</li> </ul>
<p>The <b>indirect beneficiaries</b> of the Action make up the <b>second target group</b> – i.e. citizens, citizen interest groups, CSOs, the private sector and bodies representing business, institutions concerned with building human capital (e.g. universities and VET colleges), and spokespersons for the environment in PIRDP regions</p>	<p>While the Action could result in territorial development without the involvement of indirect beneficiaries, it would fail to be "integrated". The key message here is that:</p> <ul style="list-style-type: none"> <li>• Sustainable economic and social activation (or increases in such activation) rely on the active engagement of all elements of society, as well as individuals or institutions speaking for the natural world. Participation of indirect beneficiaries in stakeholder engagement measures not only means that their voice will be heard, but that they might have an influence on initiatives implemented under the Action.</li> </ul>
<p>The <b>third target group</b> comprises institutions (and potentially individuals) which could <b>multiply the Action's results</b> (e.g. adoption of examples of good practice introduced during the Action by local authorities outside PIRDP regions). These include:</p> <ul style="list-style-type: none"> <li>• 1) Bodies of central government and subsidiary agencies - e.g. MRDI, MESD, EG, GITA, GNTA, the Vocational Skills Agency, Youth Agency, the government of Georgia itself, parliament</li> <li>• 2) Local self-government (Councils and administrations) and Governor's Offices outside PIRDP regions, as well as NALAG</li> <li>• 3) Bodies representing indirect beneficiaries at national level, and institutions equivalent to indirect beneficiaries outside PIRDP regions (e.g. universities)</li> </ul>	<ul style="list-style-type: none"> <li>• 1) Place-based (i.e. "integrated") territorial development, being sensitive to local/ regional situations (economic, social, and environmental), is often more appropriate than national measures in particular sectors, and is therefore an argument for increased autonomy at local/regional levels.</li> <li>• 2) Key messages are the same as for local self-government Councils/administrations, and Governor's Offices in PIRDP regions (target group 1.1 - see above).</li> <li>• 3) Key message is the same as for indirect beneficiaries in PIRDP regions (target group 2 - see above).</li> <li>• Donor (in particular EU) funding can spark meaningful socio-economic change not only in urban centres outside Tbilisi, but also in remote areas.</li> </ul>

### 3.3 Tools, Channels, Main Activities and Schedule

To achieve the communication objectives and reach the target groups, the following tools and channels as well as main activities may be used. The overview is indicative and may change during the implementation of the Action, including to capitalise on opportunities that may arise.

Many of the activities directed at the first and second target groups (i.e. the Action's direct and indirect beneficiaries) will be implemented by municipalities and implementing entities under grant agreements or local subsidies. In addition to those tasks falling under standard contractual obligations (e.g. ensuring donors' visibility), communication activities (e.g. stakeholder consultations) will necessarily be part and parcel of the content of their urban renewal and tourism development initiatives. Related costs will therefore be included in such grant agreements/local subsidies, with oversight and standard materials (e.g. leaflets, banners) provided by the project team.

In relation to the third target group (potential multipliers) and the wider public,<sup>2</sup> the intention is to mainstream with the general in-country EU communication and visibility facility, [EU4Georgia](#). Here, the project team would rely on [EU4Georgia](#), as communication professionals, for drafting articles/success stories and recording audio/video spots/programmes with a view to publication on its website, other EU-related websites (e.g. [EU4Business](#)), and the Georgian press and radio/TV outlets. In all such cases, the project team would be responsible for provision of or ensuring the content of articles/stories and audio/video spots/programmes

Communication and visibility measures will be in English, Georgian, and, if required by the context, German.

Tools and Channels	Main Activities	Indicative Schedule
<p><b>Online communication</b></p>	<p>A well-advertised Facebook page will be established. Since Facebook is the most widely used social media facility in Georgia, it is expected that target audiences will be best reached through this channel. In addition to most important basic information on the project, it will be used for posting on, inter alia, implemented/upcoming events, progress of individual long-term projects (e.g. urban renewal), and success stories. Content supplied by municipalities and implementing entities (relating to their grant contracts/local subsidies) will be used as feed.</p> <p>It is not anticipated that a specific project website will be established. Relevant information (e.g. objectives, activities) will rather be included on the existing sites of <a href="#">EU4Georgia</a> and <a href="#">GIZ</a>.</p>	<p>The social media account shall be operational by the fourth month of implementation</p>

<sup>2</sup> Since the Action does not address the general public, it is not indicated above as a target group for communication and visibility. It is, however, a target group for EU assistance in Georgia as a whole, to which end the facility [EU4Georgia](#) has been established.

Tools and Channels	Main Activities	Indicative Schedule
<b>(Printed) materials</b>	<p>The following (printed) materials will be produced during the Action:</p> <ol style="list-style-type: none"> <li>1. A leaflet setting out the Action, to be updated each year. In addition to the digital format, a certain number will be printed for distribution at events.</li> <li>2. A one-pager, to be used for technical communication (e.g. informing other initiatives of the Action) and also updated annually. This will only exist in digital form.</li> <li>3. A brochure once results have reached a critical mass. A limited print-run is foreseen in addition to the electronic format.</li> <li>4. Display panels and banners for use at events and photo opportunities (including those organised by municipalities and implementing entities under their grant contracts/local subsidies).</li> <li>5. Stickers or equivalent to be affixed to equipment/supplies procured under the Action (including by municipalities and implementing entities under their grant contracts/local subsidies).</li> </ol>	<ol style="list-style-type: none"> <li>1. By the fourth month of implementation, and thereafter annually</li> <li>2. By the third month of implementation, and thereafter annually</li> <li>3. In the third year of implementation</li> <li>4. By the sixth month of implementation</li> <li>5. By the fourth month of implementation</li> </ol>
<b>Campaigns, events, visits and stakeholder meetings</b>	<p>The events outlined below will be held during the Action. In principle, none of them should solely concern visibility,<sup>3</sup> but should also deal with "content" issues. In line with the spirit of the Action, the majority of events should be held in PIRDP regions.</p> <ol style="list-style-type: none"> <li>1. Kick-off conference</li> <li>2. Annual thematic conferences (three in total)</li> <li>3. Closing conference</li> <li>4. Information campaigns and public meetings with stakeholders organised by municipalities and implementing entities under their grant contracts/local subsidies</li> </ol>	<ol style="list-style-type: none"> <li>1. By the sixth month of implementation</li> <li>2. One conference in the Action's first, second and third years (or second, third and fourth years)</li> <li>3. In the three months before Action end</li> <li>4. Should commence from the second/third quarter of implementation</li> </ol>
<b>Press and media</b>	<p>Given EU4Georgia's remit and experience, articles/success stories and recording audio/video spots/programmes would in principle be placed in the media via this facility. In addition, municipalities and implementing entities awarded grant contracts/local subsidies under the Action may seek to place such items in (local) media; this, however, will be governed by provisions in their grant contracts/local subsidies and monitored by the project team. The aim would be to see the Action covered in the media at least ten times</p>	<p>From month seven of implementation</p>

<sup>3</sup> Example exceptions might include ribbon-cutting ceremonies or ad hoc visit by VIPs.

Tools and Channels	Main Activities	Indicative Schedule
<p><b>Video, audio, and photography</b></p>	<p>per year on average. With regard to formal press releases, they will only be prepared for high level political events and when requested by donors.</p> <ol style="list-style-type: none"> <li>In general, the project team would again rely on EU4Georgia for the production of professional audio/video spots/programmes on, for example, success stories.<sup>4</sup> Any audio/video recording aired by municipalities and implementing entities under their grant contracts/local subsidies would be subject to prior oversight by the Action's staff. The goal would be an average of 10 such recording per year.</li> <li>Concerning photography of meetings, events, etc. in order to showcase achievements and activities, this will normally be ensured continuously by the project team itself (or an external service provider or EU4Georgia if professional-level photographs are considered necessary).</li> </ol>	<ol style="list-style-type: none"> <li>From month seven of implementation</li> <li>From the first month of implementation</li> </ol>

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<sup>4</sup> Such audio/video does not include small clips posted to the Action's social media account.

### 3.4 Monitoring and Evaluation

The monitoring system described in Annex I will include the performance and results of communication and visibility measures. Communication and visibility measures will be designed to contribute to the Action's communication objectives, reach the target groups, are carried out in a timely and efficient manner, and reflect the allocated resources. The data will be used for steering, progress reporting, and evaluating communication and visibility measures.

At the start of the implementation period, suitable indicators by objective and/or target group as well as appropriate means of verification will be defined.

During implementation, suitable quantitative and qualitative methods such as gender-disaggregated participation documentation, analytics, surveys, focus groups and stakeholder consultations may be used.

## 4 Design and Disclaimers

### 4.1 Design Principles

In the interest of efficiency and cost-effectiveness, the Action will use existing GIZ templates as much as possible and incorporate the EU requirements. An individual project logo for the Action will not be developed.

All materials will take into account the visibility interests of the European Union and German Government (BMZ). The EU4Georgia emblem and the German Cooperation logo will be given equal prominence, with the former usually being placed in the top-left corner. Depending on the extent of its financial commitment to the Action, the visibility interests and logo of the Estonian Ministry of Foreign Affairs will also be taken into account.

In line with the Supplementary Guidelines for EU Visibility in Georgia (to be downloaded here: <https://eu4georgia.eu/visibility/>), it has been agreed that the project will use the EU4Georgia logo.

The logos of GIZ and ESTDEV will be displayed next to or below the donor logos accompanied by the words "Implemented by".

The logo of the partner organisation MRDI will be displayed before or after the logos of GIZ and ESTDEV. It will be no larger than the EU logo.

Vehicles purchased, and/or major supplies or equipment delivered under the Action will bear the EU emblem and the German Cooperation logo as well as the words "Provided with the financial support of the European Union and the German Federal Ministry for Economic Cooperation and Development". The logo of the Estonian Ministry of Foreign Affairs may be added depending on the scope of its financial contribution to the Action.

In line with the Communication and Visibility Requirements, GIZ will not display the EU emblem on business cards, in email signatures or official stationery, or on their websites. Where the title of the Action is mentioned (e.g. letterheads, business cards and email signatures), it will be accompanied by the words "This project is co-funded by the European Union" or, if required by the context, their German equivalent. ESTDEV, as GIZ grant beneficiary, will follow GIZ requirements for communication and visibility measures co-funded by the EU and BMZ.

## 4.2 Disclaimers

GIZ will be responsible for the contents of communication materials prepared under the Action. All such communication materials will include a standard disclaimer.

For publications in print or electronic format:

This publication was produced with the financial support of the European Union, the German Federal Ministry for Economic Cooperation and Development, and the Estonian Ministry of Foreign Affairs>. Its contents are the sole responsibility of GIZ and do not necessarily reflect the views of the EU, the Federal Ministry for Economic Cooperation and Development<, or the Estonian Ministry of Foreign Affairs>.

For dedicated websites and social media accounts of the Action:

This <website/account> was created and maintained with the financial support of the European Union, the German Federal Ministry for Economic Cooperation and Development<, and the Estonian Ministry of Foreign Affairs>. Its contents are the sole responsibility of GIZ and do not necessarily reflect the views of the EU, the Federal Ministry for Economic Cooperation and Development<, or the Estonian Ministry of Foreign Affairs>.

For videos and other audio-visual materials:

This <video/film/programme/recording> was produced with the financial support of the European Union, the German Federal Ministry for Economic Cooperation and Development<, and the Estonian Ministry of Foreign Affairs>. Its contents are the sole responsibility of GIZ and do not necessarily reflect the views of the EU, the Federal Ministry for Economic Cooperation and Development<, or the Estonian Ministry of Foreign Affairs>.

The above disclaimers will apply to ESTDEV mutatis mutandis once contractual arrangements with GIZ have been finalised in the anticipated grant agreement.

## 5 Standard Procedures

### 5.1 Coordination, Feedback and Approval

The GIZ Team Leader shall discuss and agree concrete modalities concerning coordinating communication and visibility activities with the EU Delegation in Tbilisi, BMZ/ German Embassy in Tbilisi and ESTDEV (as GIZ grant beneficiary) in the first month of the Action. Such modalities shall encompass procedures for soliciting feedback and securing prior approval (e.g. in which cases is approval necessary, who is responsible for giving it, and how long can the process be expected to take). They will be set down in writing once agreed.

Communication and visibility measures will be closely coordinated with the Contracting Authority, the Federal Ministry for Economic Cooperation and Development, and, potentially, the Estonian Ministry of Foreign Affairs (depending on the extent of its financial commitment to the Action).

Press releases will be issued by the GIZ Country Office or the Contracting Authority.

## 5.2 Reporting

Information on the implementation of the Communication and Visibility Plan and any additional measures taken to identify the EU as source of financing will be part of the contractually agreed reporting.

## 6 Resource Allocation

The entire project team will be involved in communication and visibility activities under the Action, including oversight of municipalities' and implementing entities' adherence to the relevant provisions in their grant agreements/local subsidies. The project team member with specific responsibility for communication and visibility as described in Annex 1 - Description of Action i will further elaborate the Action's communication strategy, be responsible for the implementation of communication and visibility measures and liaise with the Contracting Authority and other stakeholders to that effect.

Annex III indicates the financial resources for communication and visibility measures. In addition (and as noted above), many communication and visibility activities will be undertaken by municipalities and implementing entities under grant agreements or local subsidies (under heading 4 of the Action's budget); the related costs will be included in their grant agreements/local subsidies and are therefore not indicated separately in Annex III.