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The European Union for Georgia



Civil Society Organisations in Georgia: Mapping Study

Tbilisi, 2021

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This report has been produced with the assistance of the European Union and Konrad-Adenauer-Stiftung within the frameworks of “Georgian Civil Society Sustainability Initiative”. Its contents are the sole responsibility of CRRC-Georgia and do not necessarily reflect the views of the European Union or Konrad-Adenauer-Stiftung.

“Georgian Civil Society Sustainability Initiative” is implemented by the Konrad-Adenauer-Stiftung in cooperation with four Georgian civil society organisations: Civil Society Institute (CSI), Center for Strategic Research and Development of Georgia (CSRDG), Center for Training and Consultancy (CTC), and Education Development and Employment Center (EDEC).



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LIST OF ABBREVIATIONS

Civil Society Institute: CSI

Civil society organisations: CSO

Georgian Civil Society Sustainability Initiative: CSSIGE

Community-Based Organisations: CBO

Non-entrepreneurial Non-commercial Legal Entities of Public Law: NNLE

United States Agency for International Development: USAID

EXECUTIVE SUMMARY

GOVERNANCE, STRUCTURE, AND ACCOUNTABILITY OF CIVIL SOCIETY ORGANISATIONS

- Georgia has about 1.2 to 2.3 thousand entities that can be considered civil society organisations. Challenges for classifying CSOs stem from non-profit legal status peculiarities as various government-affiliated entities also use it.
- Surveyed CSOs are present in all regions in Georgia. They are headquartered in the majority of Georgia's municipalities. Almost half have representatives outside the geographic area of their registration. The majority of Georgian CSOs operate from Tbilisi and the country's urban areas.
- Georgian CSOs tend to be small, with on average, eight full-time employees. About one-fifth of CSOs have one or no permanent employee. Women are well-represented among Georgian CSOs, especially among the staff of Tbilisi-based organisations.
- A slight majority of Georgian CSOs engage with volunteers. In 2019, most surveyed organisations (55%) involved volunteers in their projects. Almost half of the surveyed CSOs involved female volunteers (49%).
- More than half of the interviewed organisations consider themselves community-based organisations.
- Only one-tenth of Georgian CSOs have charity status.
- Surveyed civil society organisations work on diverse themes. The majority is focused on youth policy, civil society development, human rights, and environmental protection issues.
- The majority of Georgian CSOs consult with their constituents - eighty-nine per cent of surveyed organisations reported that they had organised meetings with their constituents. Consultations happen when organisations design specific projects or decide on their strategic goals.
- Georgian CSOs struggle in terms of financial and operational transparency. Very few prepare and publish formal financial or activity reports. More than three-quarters of surveyed organisations mentioned that they had not published their annual reports during the last three years.
- Three-quarters of the interviewed organisations reported that they have a strategy for communication or information dissemination.

- The majority of surveyed CSOs maintain a social media presence. About 84% of organisations reported having a Facebook page. Fewer organisations have profiles on Twitter, LinkedIn, and Instagram.
- Georgian CSOs overwhelmingly consider social networks as the most effective means for communication with constituents. Noteworthy, fewer CSOs consider TV and webpage as an effective mechanism of communication.

ECONOMIC AND FINANCIAL SUSTAINABILITY

- Before the COVID-19 pandemic, the overall turnover of Georgian CSOs was growing. Nonetheless, there was an apparent disparity between Tbilisi-based organisations and those operating from outside the capital city.
- In 2019, the surveyed organisations reported a GEL 65 million financial turnover, a GEL 16.7 million increase compared to 2018.
- In 2019, Georgian CSOs overwhelmingly depended on international donors. They lacked funding diversity, as each organisation, on average, possessed about one funding source.
- In 2019, grants from international donors comprised about 53% of surveyed organisations' income.
- As for alternative funding sources, one-fifth (20%) of the interviewed organisations conducted additional economic activities in 2019.
- Only 6% reported using crowdfunding mechanisms in 2019.
- 2018-2020, about one-third of the interviewed CSOs reported receiving funding from businesses, 18% engaged in joint projects with them. Similar proportion of CSOs conducted for-profit services for business entities. Fourteen per cent received donations and 7% - pro-bono services from businesses.
- 31% of Georgian CSOs reported receiving state funding 2018-2020. In total, the interviewed organisations received about GEL 4.3 million of government funding in this period. This is about a 50% increase from the comparable period between 2016 -2017, when CSOs were allocated GEL 2.8 million from the government.

POLICY WORK AND COOPERATION WITH OTHER STAKEHOLDERS

- Fewer than half of Georgian CSOs (47%) work with government (national and local) entities on policy initiatives. Those who do mainly operate in Georgia's urban areas and Tbilisi.

- The largest number of initiatives are dedicated to youth policy and the issues of civil society development.
- The majority of initiatives were under the jurisdiction of local governments.
- About 37% of interviewed CSOs worked on issues that partially or fully referred to the specific components of Georgia's association process with the EU.
- Almost half of the interviewed organisations have implemented programs directed to the mitigation of the results of the COVID-19 pandemic.
- Interviewed organisations actively cooperate with other actors in the CSO community in form of various networks and platforms.

SELF-ASSESSMENT OF EFFICACY

- Most CSOs name the diversity of funding sources (55%) and the lack of finances (54%) as the major problems they face.
- When asked about whether Georgians trust CSOs, the majority of the surveyed organisations were ambivalent, stating that the population partially trust CSOs.
- About one-fifth of the interviewed organisations believed that their organisation is one of Georgia's most influential groups.

RECOMMENDATIONS

- Georgian CSOs need to address the issues of financial and operational transparency. It is recommended that CSOs consider publishing yearly financial and activity reports and disseminating them to the general public.
- Considering that Georgian CSOs lag extremely behind in the diversity of funding sources despite the overall turnover growth, it is recommended that they consider alternative sources of income.
- On the other hand, those CSOs who engage with businesses and/or use government funding, might need to ensure that their programming and activities are not biased towards their funders.
- The study shows that local governments are arenas, where CSOs have the best chances to communicate their policy recommendations. Therefore, it is recommended that more CSOs collaborate with local governments to advance their constituent's and communities' needs.

INTRODUCTION

Civil society organisations (CSOs) in Georgia are an essential pillar for sustainable and democratic development. Throughout the three decades of the country's post-independence history, they have been at the forefront of democratic change, often guiding the country through politically challenging times.¹ CSO participation in policy dialogue and their watchdog activities is essential to creating an accountable government and tailoring its policies towards the wider public's needs.

Recognising that Georgia's civil society groups are indeed advancing, some challenges hinder them from achieving an even more meaningful impact. This study aims to provide an, evidence-based mapping of civil society organisations operating in Georgia. Specifically, it charts CSO capacities and organisational characteristics, funding, stakeholder engagement, and policy participation.

The first aspect of this mapping exercise investigates CSO capacities. It maps the geographical distribution of CSO activities across Georgia. The text also analyses the human resources available to CSOs and assesses how transparent and accountable these entities are to their constituents.

Financial sustainability and the diversity of funding sources are other pressing issues for Georgia CSO's. The text presents a detailed outlook on Georgian CSOs' financial turnovers during 2016-2019² and provides a comprehensive breakdown of available funding sources. The study also analyses the extent of using relatively non-traditional funding schemes such as funding from businesses, social intrapreneurship, charity work, and the like.

Some Georgian civil society organisations successfully engage with various stakeholders such as national and local governments, international donors, businesses, and the media. For many, there is a long way to go to reach such influence. Many CSOs lag behind when it comes to participation in various policy dialogue platforms. This report explores the extent and the nature of such collaborations.

This report is structured in the following manner. First, it provides a brief contextual overview describing legal and structural peculiarities of the operating environment for Georgian CSOs. Next, it outlines the methodological approaches used in this study. This is followed by the main findings, specifically with a chapter on the internal governance structure of Georgian CSOs, a section analysing the economic and financial sustainability of these entities. Next comes a chapter assessing CSO capacities and the

¹ Oliver Reisner, 'On the Specifics of the Development of Civil Society in Georgia', in *Modernization in Georgia: Theories, Discourses and Realities* (Bern, Berlin: Peter Lang, 2018), <https://doi.org/10.3726/b12792/17>.

² In case of several questions, CSOs were probed about the period since January 2018, inclusive of the end of 2020.

nature of multilateral cooperation. The empirical part concludes with the analysis of CSO participation in policy dialogue. The report wraps up with conclusions and evidence-based recommendations.

CONTEXTUAL REVIEW

It is unclear how many civil society organisations are operating in Georgia. Usually, CSOs are registered as Non-entrepreneurial Non-commercial Legal Entities of Public Law (NNLEs), a common form for non-profits in Georgia. Nonetheless, many government-affiliated organisations, including kindergartens, various municipal services providers, and sports federations, are also registered as NNLEs. In August 2020, there were about 24 thousand NNLEs registered in Georgia, including 3 thousand active entities. After excluding government-affiliated organisations, about 2.3 thousand entities can be considered civil society organisations. Civil Society Institute (CSI) estimates that about 1.2 thousand civil society groups operate in Georgia, including CSOs and Community-Based Organisations (CBOs).³

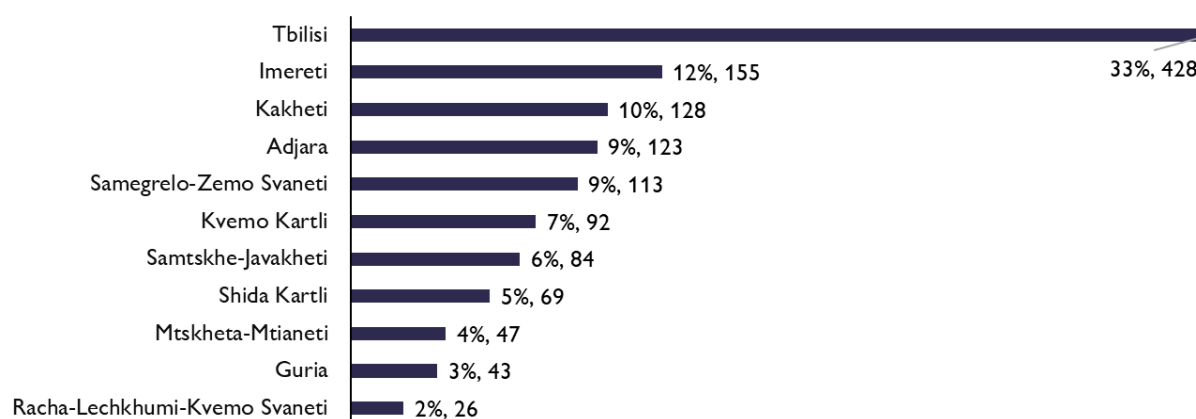


Figure 1: Regional distribution of civil society organisations as of February 2021. (% , N, Source: Civil Society Institute)

Data from CSI also sheds some light on the regional distribution of civil society organisations. The majority of CSOs in their database are registered in Tbilisi (428), followed by Imereti (155), Kakheti (123), and Adjara (123). Fewest CSOs are registered in Mtskheta-Mtianeti (47), Guria (43), and Racha-Lechkhumi-Kvemo Svaneti (26).

CSOs in Georgia operate in a relatively free, enabling, and favourable legal environment.⁴ Registration of non-profits (NNLEs) is considerably easy.⁵ Georgia's legal framework allows CSOs to operate without interferences, and groups generally enjoy such freedoms.⁶ Nonetheless, some organisations experience problems. For instance,

³ CSO Georgia, 'Main page [მთავარი გვერდი]', CSO Georgia, 2021, <https://csogeorgia.org/ge>.

⁴ Erin McCarthy et al., '2019 Civil Society Organization Sustainability Index' (Tbilisi: USAID, 2019).

⁵ Mariam Latsabidze, 'Assessing the Civil Society Environment in the Eastern Partnership Countries: Georgia' (Tbilisi: Civil Society Institute, 2019).

⁶ EU Delegation, 'EU Roadmap for Engagement with Civil Society in Georgia, 2018 - 2020' (Tbilisi, 2018), <https://csogeorgia.org/storage/app/uploads/public/5cd/dc3/6b3/5cddc36b36e40129876779.pdf>.

queer rights advocacy groups often face difficulties relative to their staff and beneficiaries' safety,⁷ while there were a few cases when their representatives were attacked.⁸

CSOs are eligible to pursue all activities that are legal under Georgian law, including commercial activities.⁹ Organisations can engage in charitable activities, social entrepreneurship¹⁰ and provide various services to various entities, including the government. CSOs enjoy relatively favourable taxing conditions. Nonetheless, often the existing regulations are subject to interpretation from taxation authorities.¹¹

While prominent Georgian CSOs have an established structure and are well-managed, most organisations significantly lag in this regard. They rarely engage in strategic planning and seek diversifying funding sources and activity portfolios. Their institutional viability often depends on their founders' decisions; thus, there is little oversight from constituents or dedicated boards.¹²

According to USAID's Civil Society Sustainability Report, financial viability is a critical challenge to Georgian CSOs.¹³ The majority of funds received by CSOs come from international donors. While the state provides various funding schemes through grants, program financing, vouchers, and subsidies, very few organisations benefit from these sources.¹⁴ Fewer CSOs receive funds from businesses, donations, or engage in social entrepreneurship.¹⁵

Georgian CSOs actively participate in public policy.¹⁶ While Georgian legislation, in theory, allows multiple ways of citizen participation in the decision-making and monitoring process, CSOs have additional tools and opportunities to do so. CSO representatives can be invited as consultative councils at the Parliament of Georgia,

⁷ McCarthy et al. 2019.

⁸ Latsabidze, 'Assessing the Civil Society Environment in the Eastern Partnership Countries: Georgia'.

⁹ Latsabidze.

¹⁰ Eka Datuashvili, 'სოციალური მენარმეობა საქართველოში: საქართველოს პრაქტიკის მიმოხილვა [Social Entrepreneurship in Georgia: A Review of Georgian Practice]' (Tbilisi: Civil Society Institute, 2020), https://www.civilin.org/pdf/Social_Enterprise_geo.pdf.

¹¹ Latsabidze, 'Assessing the Civil Society Environment in the Eastern Partnership Countries: Georgia'.

¹² McCarthy et al., '2019 Civil Society Organization Sustainability Index'.

¹³ Ibid.

¹⁴ Latsabidze, 'Assessing the Civil Society Environment in the Eastern Partnership Countries: Georgia'.

¹⁵ Datuashvili, 'სოციალური მენარმეობა საქართველოში: საქართველოს პრაქტიკის მიმოხილვა [Social Entrepreneurship in Georgia: A Review of Georgian Practice]'.

¹⁶ Lasha Gogidze, 'Analysis of a Legislative Framework and Practices on Public Participation and Consultations in Georgia' (Tbilisi: Sofreco, 2021).

such as gender equality, open governance, and children’s rights councils. Additionally, CSOs are eligible to take part in parliamentary thematic investigation groups.

Georgia’s government is authorised to create various consultative groups at the executive government level and invite CSOs for participation. Representatives of Georgian CSOs participate in multiple inter-agency commissions, including those on open government and sustainable development. Separate mechanisms exist for such dialogue at the local government level, such as the establishment of commissions associated with local councils (*sakrebulo*s).¹⁷

Nonetheless, government-CSO policy dialogue often faces challenges as there is no unified legal basis for holding such consultations.¹⁸ Decisions involving CSOs in public consultations often depend on the inviting agency’s goodwill or pressure from larger international donors instead of a generally acceptable and necessary norm.¹⁹

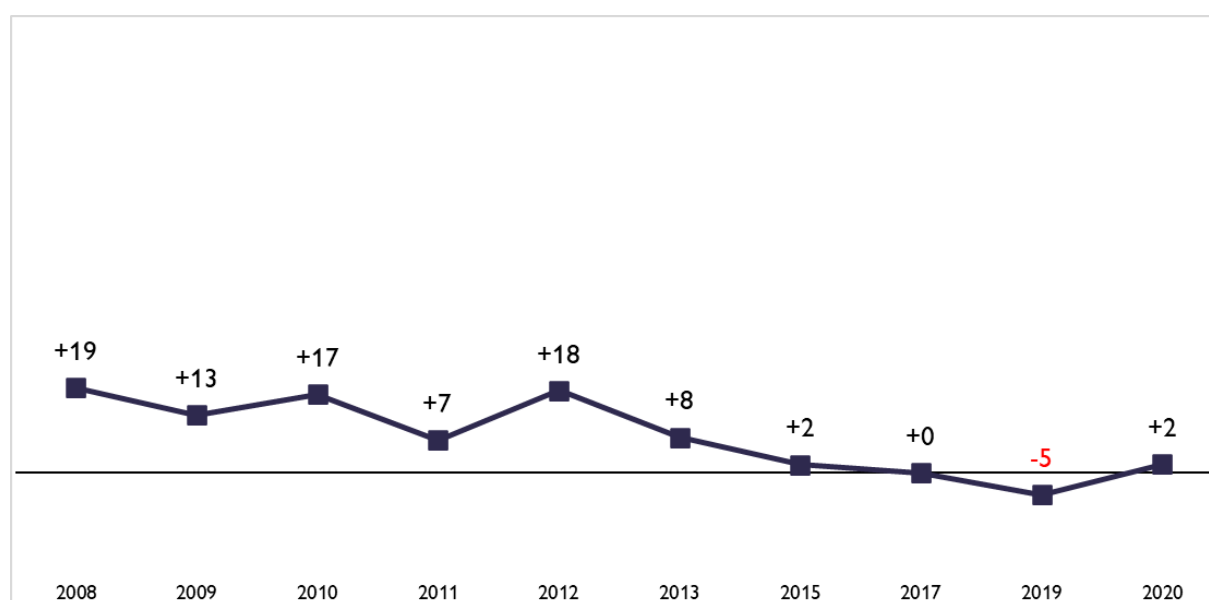


Figure 2: Net positive perception of CSOs in Georgia according to CRRC-Georgia’s Caucasus Barometer surveys, 2008-2020.

CSOs in Georgia struggle with relatively negative public perception. According to time-series data from CRRC-Georgia’s Caucasus Barometer survey, net positive perception of CSOs, measured as a difference between proportions of positive (fully trust, somewhat

¹⁷ Ibid.

¹⁸ Tamar Gvaramadze, ‘Assessment of Laws and Procedures: Georgia’, in *Civil Participation in Decision Making in the Eastern Partnership Countries. Part One: Laws and Policies*, ed. Jeff Lovitt (Strasbourg: Council of Europe, 2016), <https://rm.coe.int/168065755a>.

¹⁹ Vazha Salamadze and Ketevan Iremashvili, ‘სსო მეტრი: სამოქალაქო საზოგადოების საარსებო გარემო აღმოსავლეთ პარტნიორობის ქვეყნებში. საქართველოს ანგარიში [CSO Meter: Operating Environment of Civil Society Organizations in the Countries of Eastern Partnership. A Georgia Report]’ (Tbilisi: European Centre of Noncommercial Law, 2020).

trust) and negative (somewhat distrust, fully distrust) answers to a question whether a respondent trusts or distrusts Georgian CSOs had been on a decline since 2012 (Figure 2). In 2019, the index reached its minimum, negative five points, while for 2020, the index grew by seven points and got a positive two.²⁰ Overall, in 2020, two per cent of Georgians fully trusted CSOs, 22% expressed partial trust. About 11% said they completely distrust, while a similar share somewhat distrusted CSOs.²¹

In sum, CSOs in Georgia are mostly concentrated in Tbilisi and Georgia's largest regions. They operate in a relatively free legal environment. Nonetheless, many CSOs lack financial and human resources and are relatively poorly managed. While there exist opportunities for CSOs to engage in policy dialogue, it is left to government structures whether the latter actually let civil society groups participate in the process.

²⁰ CRRC-Georgia, 'Trust to NGOs', [Caucasusbarometer.org](https://caucasusbarometer.org/en/cb2020ge/TRUNGOS/), 2021, <https://caucasusbarometer.org/en/cb2020ge/TRUNGOS/>.

²¹ Ibid.

METHODOLOGY

This study is based on a survey of 249 CSOs operating in Georgia. The survey questionnaire asked about organisations' organisational capacities, financial viability, relations with key stakeholders and constituents, and policy work. Special attention was dedicated to the themes outlined in the European Union's 2018-2020 Roadmap for Engagement with civil society in Georgia.²² The survey instrument was partially based on the Civil Society Sustainability Initiative's (CSSIGE) 2017 baseline survey of Georgian CSOs.²³

The sampling frame was derived from the Civil Society Institute's database of Georgian CSOs and CBOs (1,154 organisations). CRRC-Georgia contacted all respondents in the list via email and asked them to fill a web-based questionnaire. To ensure a reliable response rate, CRRC-Georgia sent several follow-up emails. The organisation's call centre operators conducted call-backs to the offices.

Due to the relatively small size of the survey, distinctions between subgroups should be interpreted carefully. Nonetheless, comparisons are given between CSOs operating in Tbilisi, other urban areas, and rural settlements. Where present, statistically significant differences are reported. The financial information provided in this report is adjusted to inflation at the end of 2020.

Where possible, the analysis below also makes use of CSSIGE's baseline survey conducted in 2017.²⁴ Ninety-five organisations from the CSSIGE survey took part in the 2020 mapping study. Thus, comparisons between these two surveys are derived based on entities participating in both exercises.

This study's results might be challenging to generalise on the whole universe of Georgian CSOs considering the problems with reaching out to eligible organisations and obtaining responses. Nonetheless, the report sometimes collectively refers to the surveyed organisations as "Georgian CSOs." This is done for simplicity and better comprehension of the text.

²² EU Delegation 2018.

²³ Georgian Civil Society Sustainability Initiative, 'Baseline Study of the Project' (Tbilisi: Civil Society Institute, 2018).

²⁴ Georgian Civil Society Sustainability Initiative.

FINDINGS

GOVERNANCE OF GEORGIAN CSOs

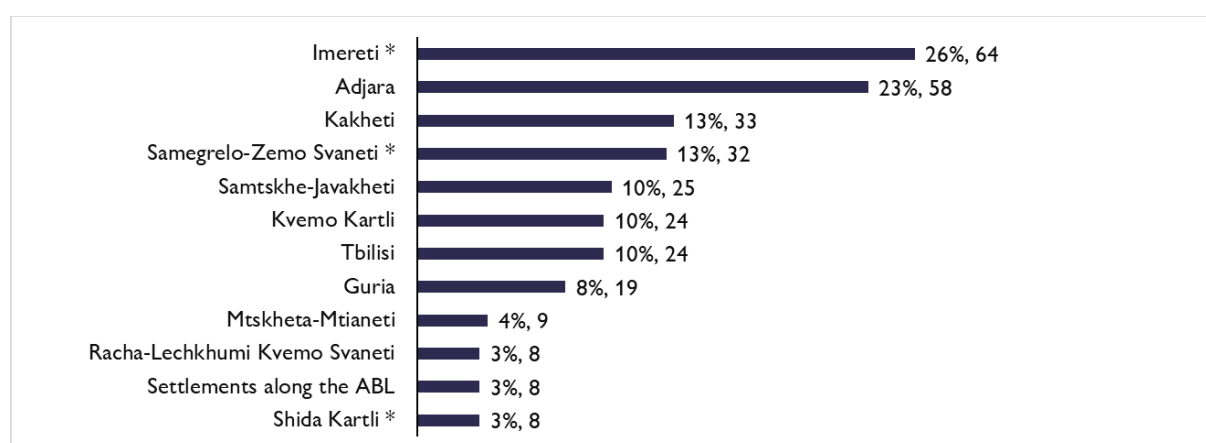
Geographic distribution

Surveyed CSOs are present in all regions in Georgia. Headquartered in most of Georgia's municipalities, almost half has a representative in settlements other than their registration. They primarily operate from Tbilisi and the country's urban areas, while fewer are headquartered in rural settlements.

Two hundred and forty-nine organisations that CRRC-Georgia surveyed are registered in 46 urban and 25 rural settlements. The majority (221 organisations) are registered in urban areas, while only 28 are registered in rural localities. As for specific settlements, the plurality (89) is registered in Tbilisi, followed by Kutaisi (21), Ozurgeti (13), Akhaltsikhe, and Zugdidi (10). As for rural areas, Eniseli, Sakuneti, and Tserovani villages have two organisations, while all other rural settlements have a single CSO registered.

CSO actual head offices are located in 66 settlements across Georgia. The majority (221 organisations) are located in urban settlements, while only a few (28) operate from rural localities. CSOs surveyed by CRRC-Georgia operate from forty-seven different municipalities. Eighty-nine works from Tbilisi, 21 from Kutaisi, followed by Ozurgeti (14), Akhaltsikhe (13), Telavi (11), and Zugdidi (10) municipalities.

Forty-three per cent of the surveyed organisations have a representative, an additional office, or some workspace in settlements other than registration.



*Figure 3: In which regions has your organisation implemented projects since January 2019? *Except areas along the Administrative Boundary Line (ABL) separating occupied regions of Abkhazia and Tskhinvali region from Georgia proper. (% , N)*

The surveyed organisations implemented activities in all regions under the central government's jurisdiction (Figure 3). The largest number of CSOs operated in Imereti (64), followed by Adjara (58). Relatively few implemented projects in Kakheti (33) and

Samegrelo-Zemo Svaneti (32). The fewest number of organisations worked in Racha-Lechkhumi and Kvemo Svaneti, settlements across the Administrative Boundary Line with Abkhazia and Tskhinvali Region (8).

Management

Human resources

Georgian CSOs are generally small, and about one-fifth of the surveyed organisations have one or no permanent employee. Women are well-represented among Georgian CSOs, Tbilisi-based organisations being better positioned in this regard. The youth is somewhat underrepresented in the CSOs, the most widespread age group among employees being between 26-45.

On average, surveyed organisations have about eight full-time and six part-time employees. The median value for the number of full-time employees amounts to 5, while the median for part-time workers is 3. About 17% reported having one or no full-time employees, while 20% indicated they have one or no part-time employees.

Organisations that operate from Georgia's capital have the most significant number of full-time and part-time employees. On average, Tbilisi-based CSOs employ 11 full-time and seven part-time workers (median 6 full-time and 5 part-time employees). Those operating from other urban areas of Georgia hire 7 full-time and part-time staff (median 4 and 3). Rural CSOs work with 4 full-time and 5 part-time employees (median 2 and 3).

Seventy-one per cent of CSOs (176) have full-time female employees, while 61% employ women part-time (152). Sixty-nine organisations in Tbilisi, 69 in urban areas, and 16 in rural localities have full-time female workers. Fifty-six Tbilisi-based CSOs have part-time female employees, while 81 organisations in Georgia's urban settlements and 15 CSOs located in rural areas have part-time female workers.

Tbilisi-based organisations employ the highest number of women, both full-time and part-time. CSOs in Tbilisi, on average, have 9 full-time female workers (median 5), while on average, 5 women work part-time (median 3). As for CSOs in other urban areas, they, on average, employ four women full-time (median 3) and 4 part-time (median 3). Rural organisations have 4 female full-time workers (median 2) and three part-time female employees (median 3).

Only one-third of the surveyed organisations have younger employees: eighty-six CSOs reported an employee who is 25 years old or younger. Two-thirds of organisations have employees between 26 and 45. Fifty-seven per cent of the surveyed organisations have employees who are 46 or older.

Almost half of Tbilisi-based CSOs (44%, 38 organisations) had younger employees. Fewer in other urban areas (32%, 44 organisations) and rural settlements (14%, four organisations) employed someone 25 years old or younger. Nearly three-quarters of

Tbilisi CSOs had an employee aged 26 and 45 (72%, 62 organisations). More than two-thirds of CSOs from other urban areas (69%, 93 organisations) and slightly above than half of the rural organisations (54%, 15 organisations) had such employees. Sixty-one per cent of Tbilisi-based CSOs (53 organisations), 57% of those from other cities (77 organisations), and 43% of rural CSOs (12 organisations) employed someone aged 46 or older.

An average number of full-time employees in Tbilisi-based organisations are younger than 25, totals to 2, while organisations outside Tbilisi, on average, employ one such person. The average number of employees between 26 and 45 in Tbilisi CSOs amounts to 6 (median 4). In organisations based in other urban settlements, the average number of such workers is 4 (median 2), in rural areas – 3 (median 2). As for employees in older age groups (46 or older), Tbilisi-based organisations, on average, employ five such workers (median 2), organisations in other urban areas and villages have three employees who are 46 or older (median 2 and 1 respectively).

Volunteers

A slight majority of Georgian CSOs engage with volunteers. The latter tend to be younger and female. Organisations outside Tbilisi have proportionally more volunteers than those based in Tbilisi. Few and mostly Tbilisi and urban-based have volunteers from outside Georgia.

In 2019, most surveyed organisations (55%, 139 entities) involved volunteers in their projects. Forty-two per cent of Tbilisi-based CSOs (36 organisations), 63% of organisations operating from other urban areas of Georgia (86 entities), and almost two-thirds of rural CSOs (61%, 17 organisations) engaged volunteers in their activities.

Those CSOs that reported engaging volunteers in projects, on average involved 19 volunteers (median 7.5). On average, Tbilisi-based organisations engaged with 14 volunteers (median 5.5), organisations in other urban areas had 18 volunteers (median 7). Rural CSOs engaged with the highest number of volunteers. On average, they involved 34 volunteers (median 20).

Almost half of the surveyed CSOs involved female volunteers (49%, 123 organisations). On average, the number of female volunteers tallied to 14 (median 6). Rural CSOs involved more female volunteers than those operating from Tbilisi and other urban areas. Organisations in villages, on average, engaged with 27 female volunteers (median 8.5). Tbilisi-based CSOs involved 13 volunteers (median 3.5), while organisations in other urban localities worked with 11 female volunteers (median 5).

The surveyed organisations mainly worked with younger volunteers. The average age of a volunteer amounts to 25 (median 24). In Tbilisi, the average age totals 26 (median 25), while the average age is slightly lower in other rural areas (25 on average, 24 median

age). Rural CSOs worked with the youngest cohort of volunteers: the average age of volunteers engaged in rural organisations' activities totals 21 (median 17).

Thirty-six CSOs reported that they involved foreign volunteers (14%). Ten Tbilisi-based organisations (12%), 23 CSOs in other urban areas (17%), and three rural CSOs reported involving foreign volunteers in their activities. On average, the number of foreign volunteers in surveyed organisations totalled one.

Status

More than half (53%, 132 organisations) of the interviewed organisations consider themselves a community-based organisation. Community organisations are less represented among Tbilisi-based CSOs, where only one-third (34%) identifies as a community-based organisation. Fifty-seven per cent of urban areas and 86% of rural CSOs consider themselves a community-based organisation.

As few as 29 organisations, 11% of the total sample, have charity status. Twelve charities are located in Tbilisi. Ten such organisations operate from other urban areas, while 7 are based in rural settlements. The relatively small number of CSOs using the charity status may be attributed to administrative, especially taxation burdens relative to working with this status.

Thematic areas

Surveyed civil society organisations work on diverse thematic topics ranging from environmental protection to monitoring legal reforms and government policies. While the majority are involved in projects that refer to relatively generic issues such as youth policy, civil society development, and human rights, a significant number has relatively narrow specialisation such as a focus on professional education, good governance, and social entrepreneurship.

During last two years, the majority (125 organisations) worked on issues related to youth policy (Figure 4). More than one hundred (119) reported working on civil society development, followed by 87 organisations focused on good human rights issues and 80 organisations that worked on environmental protection issues.

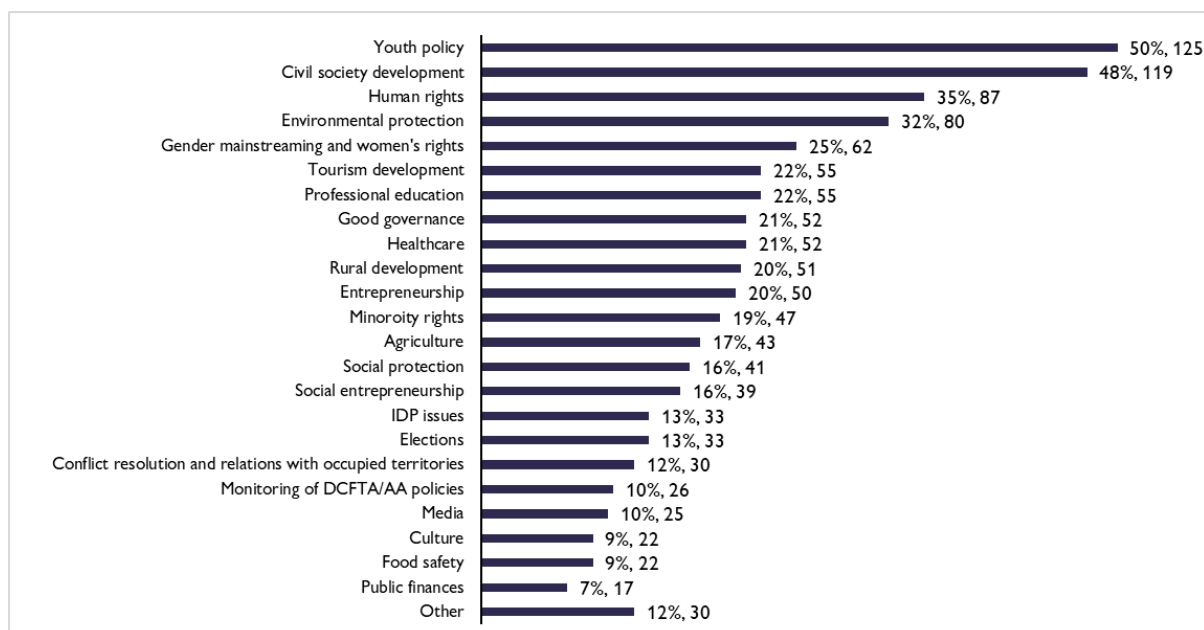


Figure 4: Since 2019, on which topics did your organisation work? (% , N)

Sixty-two organisations were focused on gender mainstreaming and women's rights. Fifty-five reported involved in tourism development and professional education. Fifty-two worked on good governance and healthcare issues, and fifty-one was involved in rural development projects, while fifty said working on entrepreneurship projects.

Fewer were focused on topics such as minority rights (47 organisations), agriculture (41 organisations), social protection (39 organisations), IDP issues, and elections (33). Thirty reported working on conflict resolution, while even fewer were involved in projects related to the monitoring of the DCFTA/AA process (26), media (25), culture and food safety (22), and public finances (17). There are few if any differences by thematic across organisations working in Tbilisi, other urban areas, and villages.

A dataset that the Civil Society Institute compiled²⁵ reveals a fairly similar picture despite CSI using broader thematic areas to classify civil society organisations (Figure 5). The majority of entities in CSI's database engage projects related to education (40%, 523 groups), youth policy (32%, 418), and human rights (27%, 325 groups).

²⁵ CSO Georgia, 'Main page [მთავარი გვერდი]'.

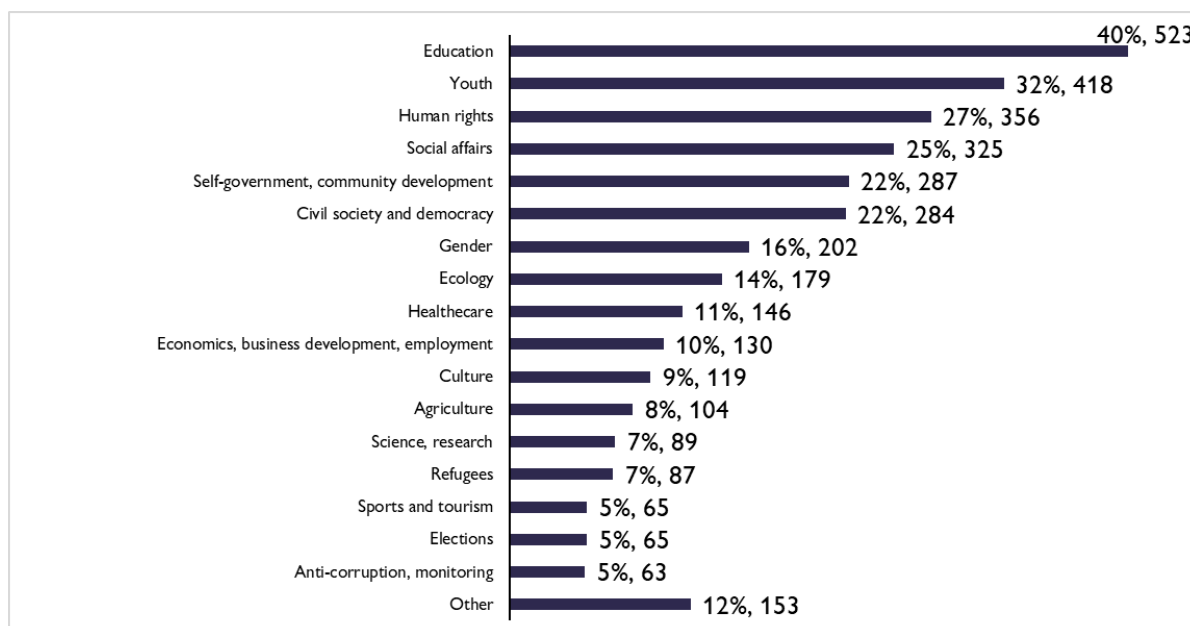


Figure 5: Thematic areas of Georgian CSOs (Source: Civil Society Institute, %, N)

CSOs try to maintain a fairly diverse set of topics that they work. On average, Georgian organisations worked in five thematic areas. Tbilisi-based organisations named fewer (4.7, median 4), while CSOs from other urban areas and rural settlements reported on average focusing on 5.3 topics (median 4 and 5 respectively).

Relations with constituents

The majority of Georgian CSOs consult with their constituents. Consultations happen when designing specific projects and the organisation's strategic goals.

Eighty-nine per cent of surveyed organisations (223 entities) reported that they had organised meetings with their constituents. A majority (72%, 180 organisations) did so at the project design stage. Two-thirds (170 entities) consulted with constituents regarding the organisation's strategies. Others met with the public upon their request (61%, 153 organisations), while 55% (137 entities) organised a meeting to evaluate their interventions' impact (Figure 6).

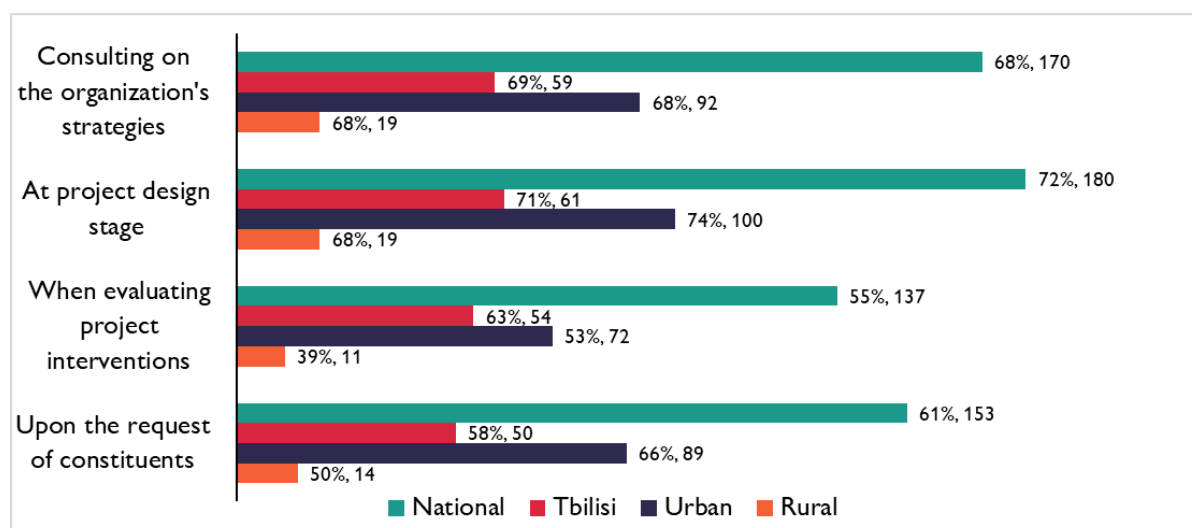


Figure 6: During the last three years, did you hold a public meeting or meet your beneficiaries for the following reasons? (% , N)

Error! Reference source not found. In terms of geographic distribution, 69% of Tbilisi-based CSOs (59 entities), 67% in urban areas (92 organisations), and 68% of rural CSOs (19 organisations) organised consultation meetings with constituencies about the organisation's strategies.

Seventy-two per cent of CSOs in the capital (61 organisations) met with the public at the project design stage. A similar share of organisations in other urban localities (73%, 100 entities) held such meetings. Two-thirds of rural CSOs (68%, 19 organisations) organised similar events.

Slightly less than two-thirds of Tbilisi-based organisations (54 entities) held meetings with their constituents to evaluate project interventions. More than half of CSOs in other urban areas (53%, 72 entities) and 39% of rural groups (11 organisations) met with beneficiaries for evaluation purposes.

Fifty-nine per cent of CSOs operating in Tbilisi (50 entities) met with constituents upon their request, as did 67% of CSOs working in other urban localities (89 organisations) and 50% of rural CSOs (14 organisations).

Reporting

Filing and publishing formal activity and financial reports is something in which Georgian CSOs lag. This represents a challenge when it comes to both transparency and accountability towards their constituents.

Fewer organisations mention that they publish annual reports. Only one-third of the surveyed CSOs (34%, 84 organisations) mention publishing during the last three years. A higher share of organisations in Tbilisi have published a report detailing their annual

activities (39%, 33 organisations) than those operating in other urban areas (31%, 42 organisations) or villages (32%, nine organisations).

Organisations publish their reports mainly in electronic format (24% of all organisations, 60 entities). Few use print format (15%, or 37% of a total). An about equal share of organisations across different settlements uses a print format for reporting (13 to 16 per cent). Tbilisi-based organisations are more likely to publish their reports electronically (33%, or 28 organisations). Fewer urban (21%, 28 organisations) and rural entities (14%, four organisations) publish reports electronically.

Similar to reporting about their activities, few CSOs publicise their financial reports. More than three-quarters of surveyed organisations (77%, 191 entities) mentioned that they had not published their annual financial reports during the last three years. Thirty-one per cent of Tbilisi-based entities (26 organisations), 20% of urban (27 organisations), and 21% (4 organisations) of CSOs in rural localities published their annual financial reports.

Eighteen per cent of organisations published their financial reports in electronic format, while eight per cent did so in print format. More Tbilisi-based organisations used electronic format (28%, 24 organisations) than those operating in other urban (13%, 17 entities) and rural localities (11%, three organisations). Five Tbilisi entities published a printed financial report, thirteen CSOs from other urban settlements, and three rural entities.

Communication channels

Georgian CSOs primarily use the internet for connecting with the public and their constituents as the majority consider such channels as most useful. Surveyed organisations use social media profiles, especially Facebook pages and websites, as primary tools of communication.

The majority of surveyed organisations (74%, 184 entities) reported that they have a strategy for communication or information dissemination. Notably, the majority did so across all geographies. Seventy-two per cent of Tbilisi-based CSOs said having a communications strategy, similar to 77% of entities based in urban areas and 64% of rural organisations.

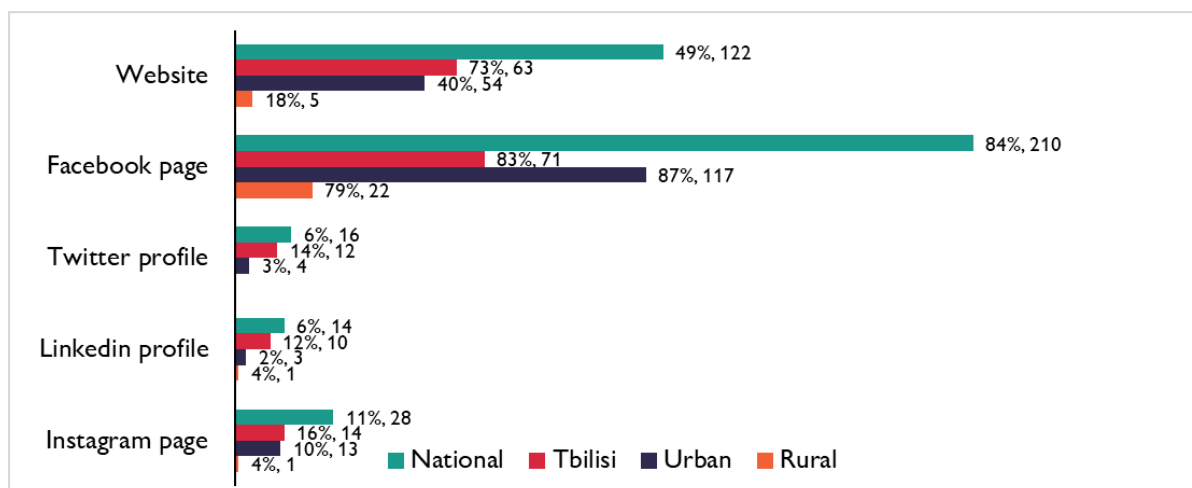


Figure 7: Communication channels used by CSOs (% , N)

Almost half of these organisations (49%, 122 entities) have a website (Figure 7). There are statistically significant differences between those who operate from Tbilisi and elsewhere. About three-quarters of Tbilisi-based organisations have a website (74%, 63 entities), while only 39% of CSOs in other urban areas (54 organisations) and 18% of rural organisations (5 entities) do so.

The majority, about 84%, of surveyed CSOs maintain a social media presence. Notably, the majority of entities in all geographies report having a social media profile. About eighty-four per cent of Tbilisi-based organisations (71 entities) have a social media page, 85% of CSOs headquartered in other urban areas (117 entities), and 79% of rural organisations (22) maintain a social media profile.

The majority of CSOs (84%) have a Facebook page. Considerably fewer use Twitter (6%, 16 organisations), LinkedIn (6%, 14 entities), and Instagram (11%, 28 organisations).

About fifty-six per cent of surveyed organisations (165 entities) use social media channels to connect to the community once a week. About 22% (56 organisations) communicate with their constituency daily. About one-third (34%, 86 entities) do this several times a week but not every day. About 10% (25 organisations) communicate through their social media channels once a week.

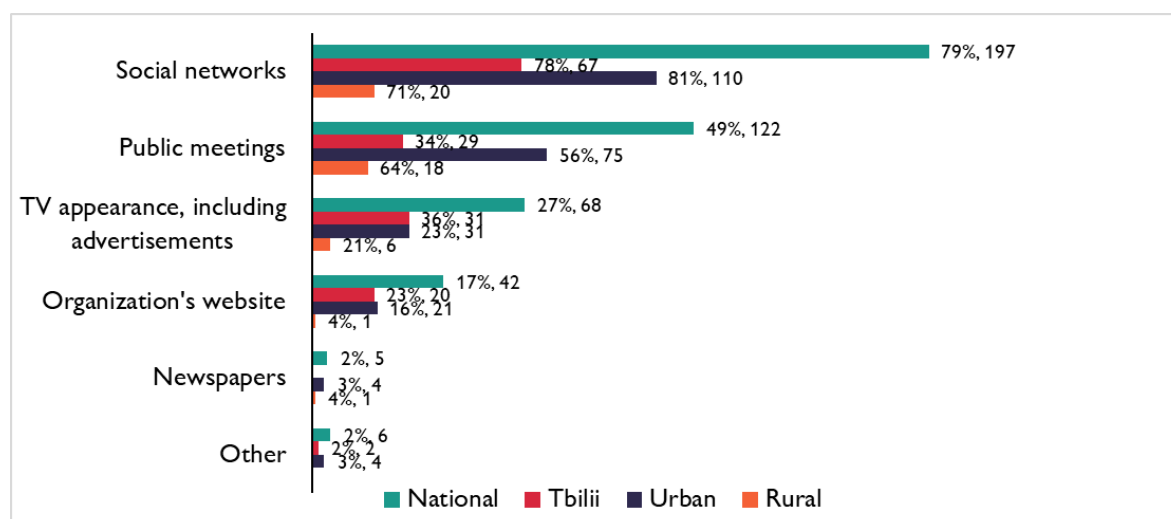


Figure 8: What are the most effective ways of disseminating information about your activities among Georgians? (% , N, multiple choice)

The majority nationwide and all geographies consider social networks the most effective means for communication (Figure 8). Seventy-nine per cent of surveyed CSOs, including 7% in Tbilisi, 81% in other urban areas, and 71% of rural CSOs, believed that social networks help them effectively spread the word about their activities.

About half (49%) considers personal meetings as an effective means of communication. Notably, a higher share of rural CSOs (64%) than those in other urban areas (56%) and Tbilisi (34%) believe so. Fewer think of TV as a useful tool for communicating information about the organisation's activities. Twenty-seven per cent nationally, 36% in Tbilisi, 23% in other urban localities, and 21% of CSOs in villages picked TV as an effective way for connecting with the Georgian public. Less than twenty per cent named the organisation's website, newspapers, and other means of communication.

ECONOMIC AND FINANCIAL SUSTAINABILITY

The volume of financial turnover

Before the COVID-19 pandemic, the overall turnover of Georgian CSOs was growing. Nonetheless, there was an apparent disparity between Tbilisi-based organisations and those operating from outside the capital city.

The surveyed organisations reported a financial turnover of about GEL 65 million in the 2019 fiscal year. Notably, three-quarters of the surveyed organisations answered the question. This totals to a GEL 16.7 million increase compared to 2018 when the interviewed organisations reported a turnover of GEL 48 million.²⁶

Notably, the lion's share of the turnover of Georgian CSOs comes at the expense of Tbilisi-based CSOs. In 2019, three-quarters of the financial turnover of CSOs (GEL 49 million) came from organisations headquartered in Tbilisi. CSOs in other urban areas had slightly less than a quarter (24.4%, GEL 16 million) of the total turnover, while rural CSOs amount only to a mere 1% of the total turnover (GEL 384 thousand).

In 2018, Tbilisi-based CSOs had a GEL 36 million turnover, which amounts to 74.4% of the total CSO turnover in that year. Organisations in other urban areas reported a GEL 12 million turnover (25.1% of the total turnover). CSOs in villages registered a GEL 251 thousand turnover, that is, 0.5% of the total value.

Compared to 2018, the total turnover of Georgian CSOs in 2019 increased by GEL 16.7 million (GEL 16.2 million, if adjusted for inflation), that is, by 35% points. Turnover of Tbilisi-based CSOs increased by GEL 12.8 million (36%, GEL 12.5 million increase in 2018 values). CSOs located in other urban areas saw a 31% increase in inflation-adjusted turnover (GEL 3.8 million in 2019 GEL 3.7 in 2018). Turnover of rural CSOs increased by 50%, by GEL 133 thousand (in 2019 GEL), or GEL 130 thousand if adjusted for inflation.

The average annual turnover of a Georgian CSO in 2019 amounted to GEL 427 thousand, while a median value amounted to GEL 77 thousand. A Tbilisi-based CSO's median turnover totalled GEL 288 thousand in 2019 compared to a mean value of GEL 900 thousand. Such a discrepancy between mean and median values hint that a large share of funds is accumulated by a handful of large CSOs. Organisations outside Tbilisi had significantly lower turnover. A median CSO from Georgia's urban localities had a GEL 60 thousand annual turnover, while median rural CSO had a GEL 10 thousand turnover in 2019.

On average, between 2016-2017 and 2018-2019, the total turnover of those organisations that participated in both the 2017 CSSIGE survey and the current survey increased by GEL 24 million. The average increase totalled GEL 363 thousand in this

²⁶ CSSIGE 2018.

period. Twenty-six organisations grew their turnover by about GEL 14.3 million in 2019 prices (GEL 0.5 million gain on average). Twenty-seven organisations saw their turnovers decreased in total by GEL 4.9 million (GEL 180 thousand decreases on average). Three CSOs reported no change in incomes.

Funding sources

Georgian CSOs overwhelmingly depended on international donors for, on average, half of their funding. The surveyed organisations trail in terms of the diversity of funding sources, each organisation having one funding source on average.

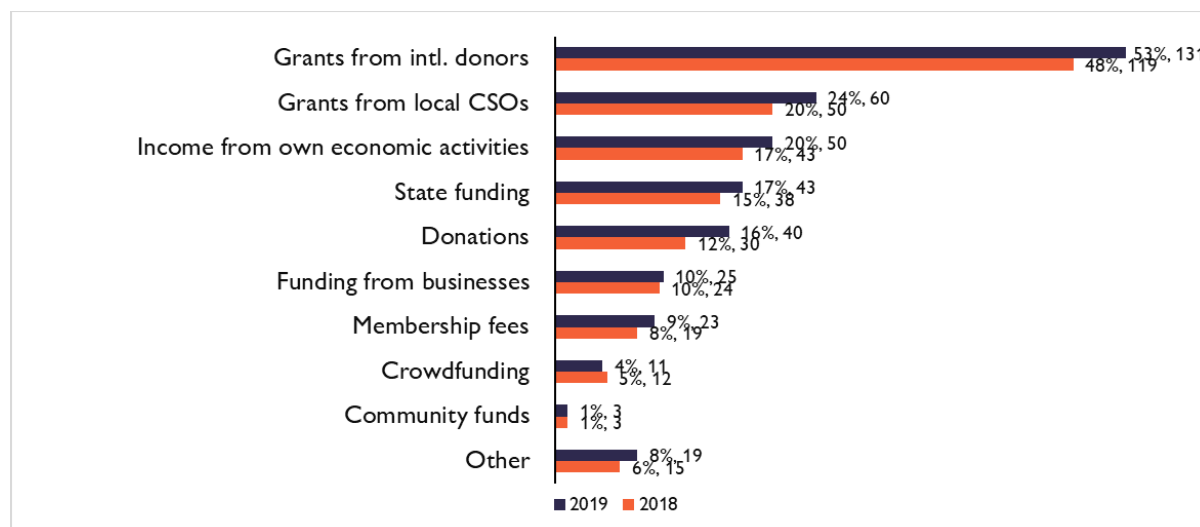


Figure 9: From which sources did the organisation receive funding? (% , N, multiple choice)

Overall, the majority of interviewed CSOs (73%) reported having funding sources in 2019. More than half (131 organisations, 53%, figure 10) received grants from international donors. About one quarter received grants from Georgian CSOs (60 organisations).²⁷ One-fifth of the surveyed organisations reported having funds from their economic activities (50 organisations). Seventeen per cent had state funding (43 entities), 16% received money from donations (40 organisations). Fewer received funding from businesses (25 organisations, 10%), membership fees (23 entities, 9%), crowdfunding (11 groups, 5%), and community funds (3 organisations, 1%).

Organisations were also asked to name funding sources in 2018 (figure 10).. If compared to 2018, the situation had not changed dramatically. In 2018, two-thirds of the surveyed organisations also reported at least one funding source. The plurality of surveyed organisations (119 entities, 48%) received funds from international donors, while about one-fifth (20%, 50 organisations) reported having grants from local Georgian CSOs. Fewer (17%, 43 organisations) reported having income from their economic activities, 15% (38 entities) had funding from the government, about 12%

²⁷ Notably, funding from Georgian CSOs is often a form of sub-granting originating from international donors.

received donations (30 organisations), while 9% received support from businesses (24 entities). Very few reported other sources.

On average, in 2019, interviewed CSOs received grants from 1.8 donors. Tbilisi-based CSOs have, on average, more donors than those outside the capital. CSOs in Tbilisi received funds from 2.7 sources (median 2), those in urban areas and villages had approximately 1.4 sources of income (median 1).

Nonetheless, the picture is somewhat different for those entities that participated in both the 2017 CSSIGE survey and the current study. These CSOs (95 entities) had fewer donors in 2019 than they cooperated in 2016. The average number of donors per organisation decreased by 1.2. Twenty organisations saw an increase in donor numbers, on average by 2.1; 21 CSOs saw no change, while 30 experienced an average 4.3 unit decrease.

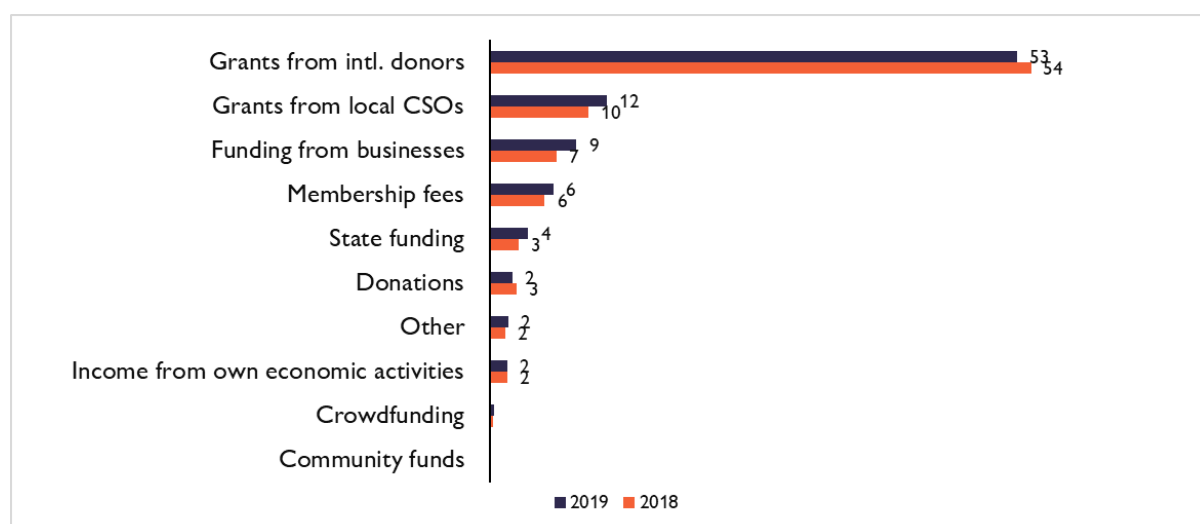


Figure 10: Average reported share of income sources (%)

In 2019, grants from international donors comprised about 53% of surveyed organisations' income reported having at least one income source. Grants from local organisations encompass approximately 12% of the income sources of Georgian CSOs. The average share of the funding from businesses totals 9%, while membership fees account for 4% of incomes. Donations, income from own economic activities, crowdfunding, and community funds on average tallied to less than 2% of the total income sources of Georgian CSOs. Notably, the situation is very similar to that in 2018.

Surveyed organisations were asked whether they have used crowdfunding in their activities in 2019. Only fifteen CSOs (6%) reported using crowdfunding mechanisms. Two organisations received less than GEL 200, 7 received funds between 200 and 1000, while 5 collected more than GEL 1,000 through crowdfunding. One organisation refused to provide the GEL amount.

One-fifth (20%, 50 entries) of the interviewed organisations conducted additional economic activities in 2019. Those who reported being involved in other economic activities were asked whether they engaged in social entrepreneurship. Only six registered a separate organisation for social entrepreneurship. On average, such activities earned about 18% of the organisations' income.

Organisations were also asked additional question about the funding from businesses. About one-third of the interviewed CSOs reported receiving funding from businesses since 2018.²⁸ About one-third (35%, 30 organisations) of Tbilisi-based CSOs received some business funding similar to the 36% of entities in other urban areas (43 entities) and 29% of rural CSOs (8 organisations). Eighteen per cent (44 organisations) engaged in joint projects with businesses. Similar proportion conducted for-profit services for companies. Fourteen per cent (34 entities) received donations, while 7% (17 organisations) received pro-bono services from businesses.

Organisations were also asked additional question about the funding from the state. Thirty-one per cent of Georgian CSOs reported receiving state funding since January 2018. Thirty-six per cent of Tbilisi CSOs (31 entities), 37% of organisations in other urban areas (98 entities), and 29% of rural CSOs (8 entities) received such funds. Sixteen per cent of interviewed organisations (39 entities) said receiving funds from local governments, 13% was sponsored through programme financing (33 organisations), 10% received state grants. Fewer (8%) was funded through state procurements or government vouchers.

In 2019, the interviewed organisations received about GEL 4.3 million from the government. This is about a 50% increase compared to 2018 when CSOs were awarded about GEL 2.8 million from the government. About two-thirds of funds received in 2019 were disseminated to Tbilisi-based CSOs (GEL 2.7 million). Organisations headquartered in other urban areas received GEL 1.6 million while rural CSOs were funded with GEL 30.5 thousand. Notably, compared to 2018, funds were allocated more equitably across geographic regions. In 2018, Tbilisi-based CSOs received three-quarters of state funds (GEL 2.0 million), organisations in other urban areas were funded with GEL 757,000, and rural CSOs were allocated GEL 11.6 thousand.

²⁸ The survey was conducted in December 2020, therefore timeframe is 2018-2020.

PARTICIPATION IN POLICY DIALOGUE AND MULTI-STAKEHOLDER COOPERATION

Cooperation with government agencies

Fewer than half of Georgian CSOs work with government entities on policy initiatives. Those who do are chiefly concentrated in urban areas and Tbilisi. The largest number of initiatives are dedicated to youth policy and the issues of civil society development. On the other hand, mostly CSO initiatives fall in the jurisdiction of local governments. Slightly more than a third have worked on problems that refer to Georgia's association process with the European Union.

Forty-seven per cent of the interviewed organisations reported that they have cooperated with various government agencies regarding different policy initiatives since January 2018. Notably, equal proportions of organisations across multiple geographies collaborated with government agencies. Forty-four per cent of CSOs in Tbilisi (38 organisations) and 49% of CSOs from other urban areas (66 entities) have collaborated with various government agencies on policy issues. Only 12 entities from rural areas (43%) engaged in policy dialogue.

In total, interviewed CSOs have discussed 554 initiatives with government entities since 2018. Tbilisi-based organisations discussed 259 initiatives. CSOs from other urban areas did so regarding 262 initiatives, while rural CSOs engaged with 33 initiatives. Organisations prepared recommendations concerning 400 initiatives, including 174 by CSOs in Tbilisi, 189 in other urban areas, and 37 by rural CSOs.

Interviewed CSOs reported that the government considered about two-thirds of their initiatives (64%, 355 initiatives). Organisations based in urban areas outside Tbilisi were most successful: state institutions considered 219 of their initiatives. CSOs from the capital successfully lobbied for 121 initiatives, while rural organisations did so in 15 initiatives.

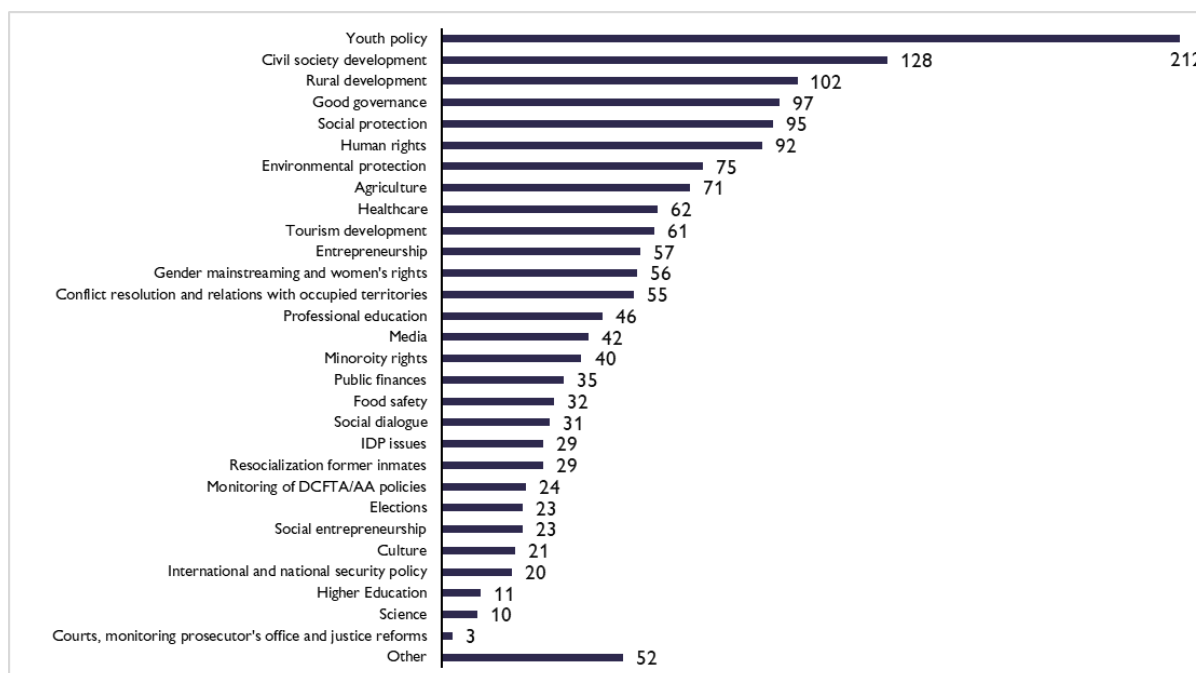


Figure 11: Number of initiatives proposed by the CSOs per thematic topic.

From a thematic perspective (Figure 11), the largest number of proposals were dedicated to youth policy (212 initiatives), civil society development (128), rural development (102), good governance (97), social protection (95), and human rights protection (92). Fewer initiatives referred to environmental protection (75), agriculture (71), healthcare (62), and tourism development (61). The fewest initiatives were dedicated to higher education (11), science (10), and monitoring justice reform and courts (3).

Interviewed organisations prepared 318 initiatives in cooperation with other CSOs. Tbilisi-based organisations worked together with others on 137 initiatives. Entities from other urban areas cooperated with other CSOs on 153 initiatives, while rural CSOs did so in 28 organisations.

Almost three hundred initiatives (275) that CSOs worked on were under Georgia's central government's direct jurisdiction. Tbilisi-based organisations worked on 166 such initiatives. Those in other urban areas worked on 97 initiatives, while rural CSOs reported having worked on 12 initiatives.

More initiatives were under the jurisdiction of local governments (358). CSOs from outside Tbilisi worked on the largest number of such initiatives (237), followed by rural organisations (62). Tbilisi-based organisations reported having worked on the fewest number of initiatives (62) directed to local governments.

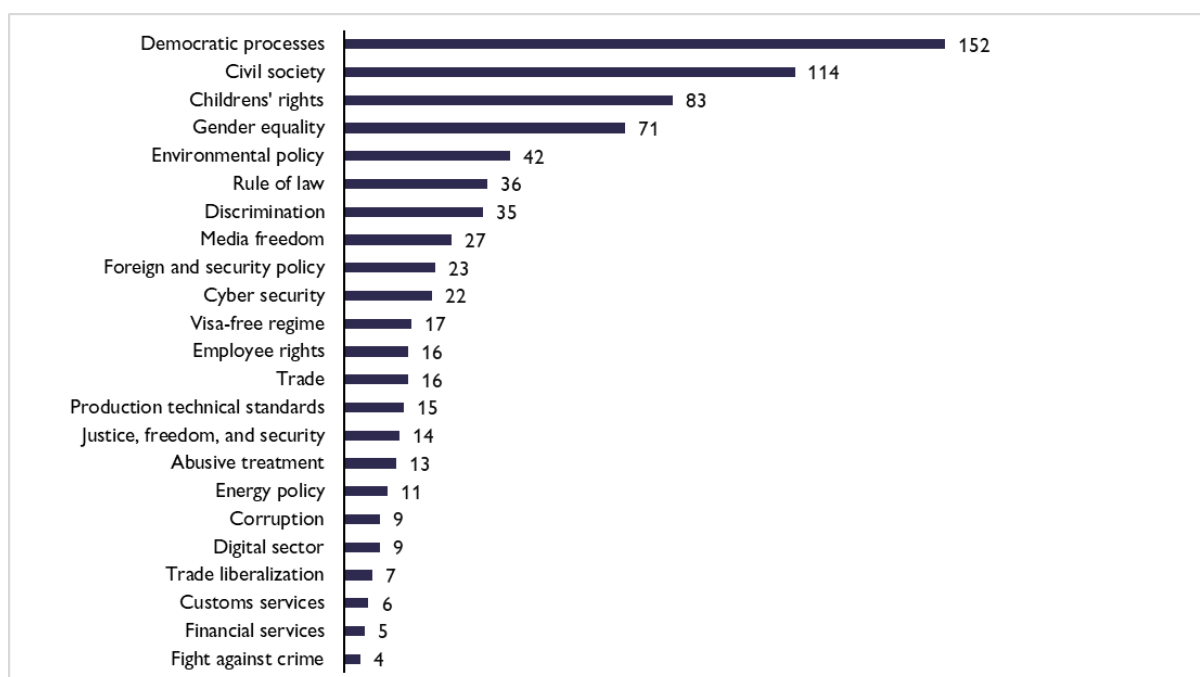


Figure 12: Number of initiatives related to Georgia's association process with the EU.

About 37% of interviewed CSOs (92 organisations) worked on issues that partially or fully referred to the specific components of Georgia's association process with the EU. About one-third of CSOs in all geographies worked on at least one initiative dedicated to the EU association.

Overall, in this area, 152 initiatives by the interviewed CSOs referred to democratic processes (Figure 12), 114 were on civil society, 83 on children's rights, and 71 to gender equality. The fewest number of initiatives were directed towards customs (6) and financial services (5). Only four initiatives were regarding the fight against crime.

Initiatives on mitigating the impacts of COVID-19.

Since January 2020, almost half of the interviewed CSOs (122 organisations, 49%) implemented activities directly or indirectly to mitigate the results of the COVID-19 pandemic. Fifty-five per cent of Tbilisi-based CSOs (47 organisations), 46% in other urban areas (63 entities), and 44% of rural CSOs (12 organisations) implemented such projects. Overall, organisations implemented 281 such projects and reported that more than 100 thousand Georgians were beneficiaries of projects directed at mitigating the results of COVID-19.

Cooperation with other actors

CSOs actively cooperate with other actors in their communities. Almost three-quarters of the surveyed organisations mentioned that they have worked with local self-

governments and local media since 2018, while fewer collaborated with businesses and academia.

Sixty-four per cent of Tbilisi-based CSOs (55 entities), 81% of organisations in urban areas (111 entities), and 82% of rural CSOs (23 organisations) reported collaborating with local governments. Almost two-thirds of CSOs in Tbilisi (71%, 59 organisations), 77% in urban localities (106 entities), and 61% in rural settlements (17) have collaborated with the representatives of local media who are based outside Tbilisi.

Fifty per cent of the interviewed CSOs (126 organisations) worked with universities and research organisations since 2018. Fifty-eight per cent of Tbilisi-based groups (50 entities), 49% of CSOs in urban areas (67 organisations), and nine rural CSOs (32%) reported having some relations with academia.

About 42% nationally (105 organisations) mentioned that they have worked with the central government and media organisations based in Tbilisi. Fifty-nine per cent of Tbilisi CSOs worked with the central government, similar to one-third of urban (47 organisations) and 20% of rural CSOs (7 entities). About 59% of Tbilisi groups collaborated with national media, as did 34% of CSOs in urban localities (46 entities) and 32% of organisations in villages (9 organisations).

Less than half of the surveyed organisations reported working with businesses. About forty per cent nationally, including 35% in Tbilisi (30 organisations), 43% in other urban areas (59 organisations), and 43% of rural CSOs (12 entities), collaborated with business organisations.

The surveyed organisations are well engaged in CSO networks. About seventy per cent reports that the organisation is a member of CSO coalitions, networks, or platforms. Three-quarters of Tbilisi-based CSOs, 70% of organisations in urban areas, and 60% of rural CSOs are members of a forum or a network.

SELF-ASSESSMENT OF EFFICACY

The survey also asked CSOs to assess their perceived efficacy, the main problems that organisations face in Georgia, and their impact on society. Results show that CSOs perceive financial problems and the diversification of resources as the main challenge. The majority believes that Georgians partially trust CSOs, while plurality thinks that they are influential.

The two most frequently named answers are about finances. About 55% of CSOs (139 organisations) named the lack of diversity in funding sources, while slightly fewer (54%, 135 organisations) picked the lack of finances as critical challenges to their operations. At the same time, about one-fifth of the surveyed organisations (20%, 51 entities) picked the government's lack of interest in CSO's work.

Thirteen per cent (32 organisations) reported being understaffed, and 12% (30 entities) named recruitment of volunteers as problems they have faced in their operations since 2019. Very few named the lack of clarity in financial regulations and government interference as well as other issues of similar type. Notably, organisations across all geographies did not differ in their answers concerning problems.

When asked about whether Georgians trust CSOs, the majority of the surveyed organisations had ambivalent answers. Seventy-seven per cent nationally, three-quarters in Tbilisi (73%, 63 organisations), 78% in other urban areas (107 entities), and 86% of rural CSOs (24 organisations) believed that the public partially trusts civil society organisations. About 12% said that Georgians trust CSOs, including 8% in Tbilisi (7 organisations), 15% in other urban localities (20 entities), and 14% in villages (4 entities). About 6% believed that the country's population does not trust civil society organisations.

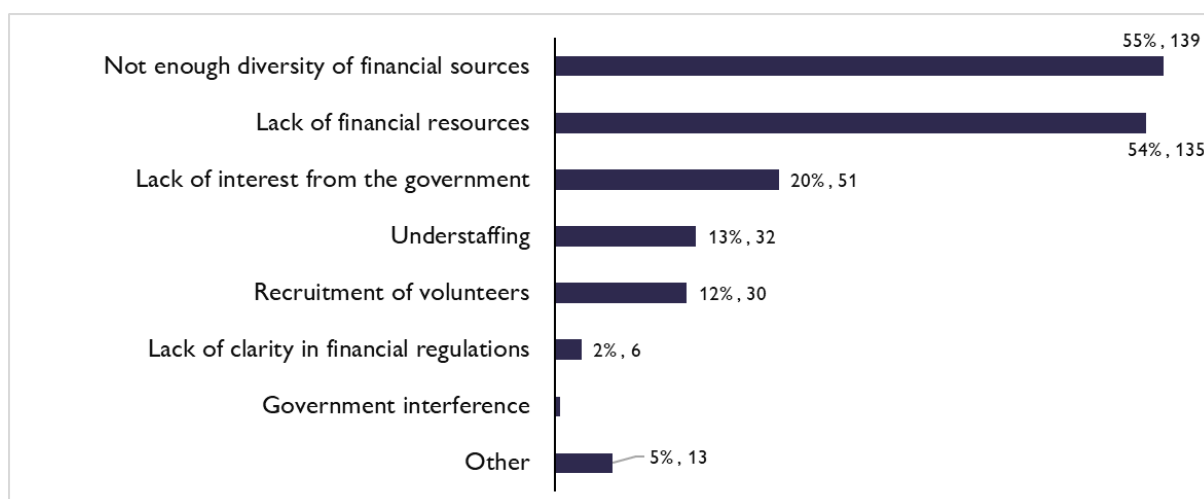


Figure 13: What are the two main problems that your organisation has faced since 2019? (% , N)

Notably, more than half of surveyed CSOs (52%, 130 organisations) believed that people trust their organisations. Half of Tbilisi-based CSOs (43 organisations), 53% of organisations in urban areas (72 entities), and 54% of rural groups (15 organisations) considered that the country's population trusts them. More than one-third of the interviewed organisations (37%, 92 entities) contended that they are trusted partially. The proportion of such respondents varied from 36% to 38% across geographies. Few (8%, 19 respondents) said that people do not trust their organisations.

Surveyed organisations were also probed regarding the perceived efficacy of their work. About one-fifth of the interviewed organisations (49 respondents) believed that their organisation is one of Georgia's most influential groups. Nearly half (47%, 117 organisations) considered themselves somewhat influential, while about one-fifth (24%, 60 entities) considered themselves less influential.

Tbilisi-based CSOs were more likely to consider themselves influential. More than one-third of such groups (35%, 30 entities) considered themselves influential. Fewer in other urban areas (12%, 16 organisations) and rural localities (11%, three respondents) believed to be influential. Forty per cent of Tbilisi-based CSOs (34 organisations), 51% of urban (70 respondents), and 46% of rural CSOs (13 entities) contended that they are somewhat influential. One-fifth of CSOs in the capital (17 organisations), a quarter of organisations in urban areas (33 entities), and 36% of CSOs in villages believed they were less influential.

CONCLUSIONS AND RECOMMENDATIONS

The analysis above leads to several conclusions. Thus far, it is challenging to identify the true number of CSOs operating in Georgia. The most important challenge factor is overlapping legal definitions with state-run non-profits. The national registry lists about 24 thousand registered non-profits (NNLEs), including 3,000 active entities. According to our estimates, about 2.3 thousand entities can be considered civil society organisations, while the Civil Society Institute tallies about 1.2 thousand civil society groups in its database.

CSOs are present in all regions in Georgia while almost having a representative outside their registration area. Still, the surveyed organisations mostly operate from urban areas, including Tbilisi and large urban centres.

The surveyed CSOs have, on average, eight full-time employees. About one-fifth have one or no permanent employee. While women are well-represented among CSO staff members, Tbilisi-based organisations especially excel in this regard. A majority of Georgian CSOs engage with volunteers, who tend to be younger and female. Rural CSOs engaged with the highest number of volunteers.

When it comes to organisational characteristics, the majority considers themselves as a community-based organisation. Only about one-tenth has charity status.

Thematically, surveyed CSOs cover a large number of topics, frequently working on several themes at the same time. Youth policy, civil society development, human rights, and environmental protection issues are the most widespread topics.

The financial and operational transparency of many Georgian civil society organisations needs to be improved. Only a relatively smaller share prepare and publish formal financial or activity reports. The lack of transparency might potentially undermine trust towards CSOs among the population.

Georgian CSOs are relatively well-positioned in terms of communications and social media presence - about 84% of organisations reported having a Facebook page. The majority sees social media as the most effective means for communication with constituents.

The majority of CSOs has a strategy for disseminating information. The majority consults with their constituents. They regularly meet with constituents and consult on when organisations design specific projects or decide on their strategic goals.

As for economic and financial sustainability, before the COVID-19 pandemic, the overall turnover of Georgian CSOs was growing. In 2019, the surveyed organisations reported a GEL 65 million financial turnover, a GEL 16.7 million increase compared to 2018. Still,

there was a large gap between Tbilisi-based organisations and those operating from outside the capital.

Georgian CSOs overwhelmingly depended on international donors for their funding and lacked diversity in funding sources. In 2019, grants from international donors comprised about 53% of surveyed organisations' income. In the same year, CSOs had about one funding source on average. Tbilisi-based organisations had more funding sources compared to other CSOs. Not surprisingly, most CSOs name the diversity of funding sources as a major problem.

Very few used alternative funding mechanisms. One-fifth conducted additional economic activities and very few used the crowdfunding in 2019.

About one-third received funds from businesses, 18% engaged in joint projects with businesses. A similar proportion provided paid services to companies.

Almost one-third of CSOs have received state funding during 2018-19. Sixteen per cent of interviewed organisations disbursed funds from local governments, 13% was sponsored through programmatic funds, 10% received state grants. In total, about GEL 4.3 million of government funding were allocated to Georgian CSOs, a significant increase compared to 2016-17 (2.8 million).

Almost half of Georgian CSOs (47%) work with government entities on policy initiatives. These are mainly Tbilisi-based organisations and those operating in Georgia's other urban areas. The majority of initiatives refer to youth policy and the issues of civil society development. The majority of initiatives were under the jurisdiction of local governments.

About 37% of interviewed CSOs worked on issues that partially or fully referred to the specific components of Georgia's association process with the EU.

Georgian CSOs actively work with their peers in the CSO community.

Almost half of the interviewed organisations (49%) have implemented programs directed to the mitigation of the results of the COVID-19 pandemic.

Generally, organisations believe that the population partially trust them. Plurality of surveyed CSOs considers having high or medium impact in Georgia.

The empirical analysis presented above leads to the following recommendations:

- Georgian CSOs need to be more transparent regarding their finances and operations. It is recommended that CSOs consider publishing yearly financial and activity reports and disseminating them to the general public.
- Georgian CSOs lag extremely behind in the diversity of funding sources despite the overall turnover growth. Therefore, it is recommended that they consider alternative sources of income.

- At the same time, the CSOs that engage with businesses and use government funding, might need to ensure that their programming and activities are not biased towards their funders.
- The study shows that local governments are arenas, where CSOs have the best chances to communicate their policy recommendations. Therefore, it is recommended that more CSOs collaborate with local governments to advance their constituent's and communities' needs.

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