

# **THE WHITE BOOK**

## **2014**

**MINISTRY OF DEFENCE OF  
GEORGIA**



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## Introduction

The White Book 2014 is an annual report on the activities of the Ministry of Defence (MoD) and Georgian Armed Forces (GAF) aligned to the Strategic Defence Review 2013-2016 document. Namely, the White Book reports on the activities of relevant structural units, reflects defence capabilities, institutional reforms, international relations and interoperability with NATO. The document also reviews the security environment, main threats and challenges; defines the mission of the GAF and structure; defence resource management issues; legislative and conceptual frameworks. Finally, it highlights achievements, identifies challenges and introduces ways ahead.

By publishing this annual report the MoD fulfills two major fundamental commitments: regular reporting to society and rational management of resources. The White Book 2014 clearly illustrates what activities are performed in the MoD, how the GAF is being developed and what future plans are elaborated for upcoming short term period.

## 1. Security Environment

The complex character of Georgia's security environment and rapidly changing regional and global political landscape affect country's stability and the dynamics of its development.

Georgia is part of the European and Euro-Atlantic space and the main priority of its security policy is to achieve NATO and EU membership. Integration into these Euro-Atlantic structures will create firm guarantees of national security and more stable conditions that promote development of the country and support strengthening peace, stability and social welfare.

Security planning of Georgia is carried out jointly with other relevant state agencies through active interagency collaboration. The State Security and Crisis Management Council and National Security Council are actively involved in the process. The later begins with an articulation of the nation's values and interests as well as thorough assessment of threats confronting the country. Country's national values, interests and threats are reflected in the National Security Concept of Georgia and the Threat Assessment Document of Georgia 2010-2013.

The military aggression carried out by the Russian Federation in 2008, its continuing occupation of Georgian territories and deployment of the Russian troops and military infrastructure has severely undermined country's as well as regional security environment.

Meanwhile, instability in Northern Caucasus, unsettled Nagorno-Karabakh conflict between neighboring Armenia and Azerbaijan and ongoing events in Ukraine also negatively affect the security environment of both region and Georgia.

The main threats and challenges facing Georgia are:

- **Occupation of territories of the country and the probability of renewal of military aggression** – the sovereignty of the country and its territorial integrity have been violated through the occupation of Georgian territories by Russian Federation. Together with an absence of international peacekeeping forces in the occupied territories of Georgia and militarization of these territories, occupation increases the risk of renewed provocation and military aggression.
- **Regional instability** – conflicts in Caucasus and Ukraine negatively affect the national security of country. Therefore, their peaceful resolution is in Georgia's interests.
- **Transnational threats** – the occupation of Georgia's territories as well as the conflicts in the Caucasus create a favorable environment for international terrorism and translational organized crime.
- **Cyber threats** – ensuring cyber security is extremely important. The necessity of improving the quality of cyber space protection especially critically revealed by the numerous cyber attacks carried out against Georgia during the war in August 2008.



- **Natural and technological disasters** – Georgia is situated in active seismological zone that increases likelihood of natural and technological risks. Such disasters may have devastating consequences for the country. Therefore, within own competence the GAF must be ready to assist civil authorities during such emergencies and participate in recovery activities if requested.

## 2. The Ministry of Defence and Georgian Armed Forces

### 2.1. The Ministry of Defence of Georgia

Within authority granted by Georgian legislation, the MoD ensures the implementation of the State policy in the defence sphere. The MoD is led by the Minister of Defence, who is accountable to the Prime-Minister and President – as to the Commander-in-Chief of the Armed Forces of Georgia. The goal of the Ministry is to manage the development and transformation of the GAF, ensure constant combat and mobilization readiness, strengthen combat efficiency and be capable of repulsing any aggression or encroachment of Georgia's independence.

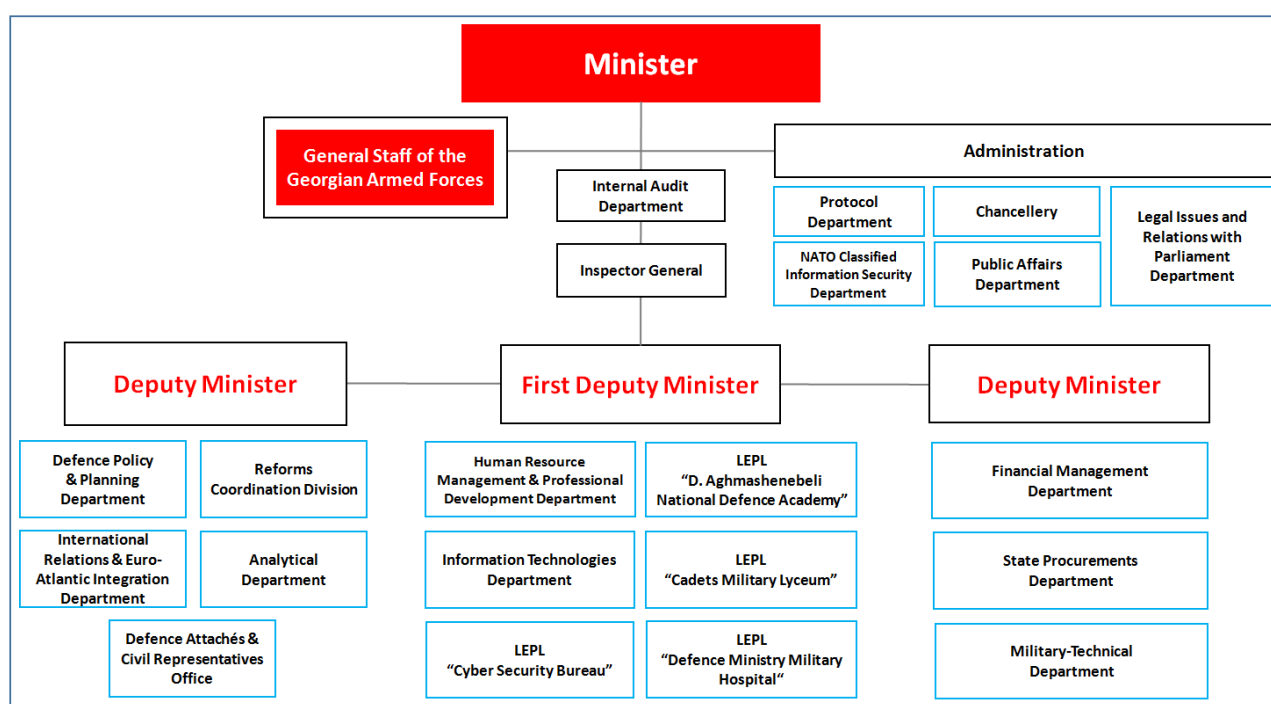


Figure 2.1: The Structure of the Ministry of Defence of Georgia as of 2014

### 2.2. General Staff of the Georgian Armed Forces

The General Staff of the Georgian Armed Forces (GS) is responsible for the strategic-operational command and control of the GAF. Its main functions are: to ensure the combat readiness of the GAF, execute political decisions of the Georgian authorities, within own competence determine military threats in light of the existing military-political realities, ensure structural optimization of the GAF and engage in military cooperation in accordance with international treaties and agreements.

The Chief of the General Staff leads the GAF and reports to the Defence Minister. The President appoints and dismisses the Chief of the General Staff based on the Minister's recommendation and in agreement with the Government. The Chief of the General Staff serves as the senior military advisor to the President and is being appointed for three years.

The Chief of the General Staff has first deputy and two deputies of the General Staff, who within their responsibilities assist the Chief of the General Staff in fulfilling own responsibilities. The Deputy Chiefs are appointed and dismissed by the Minister of Defence based on the recommendation of the Chief of the General Staff.

In 2013 the Joint Staff was reorganized into the General Staff of the Georgian Armed Forces. The General Staff consists of following **major structural units**:

- **J-1 Personnel Department** – manages recruitment policy of the GAF personnel, including civil staff, as well as military staff of the civil office and the legal entities of the public law of the MoD. Department is also responsible for the elaboration of the draft projects on structure and staff plans of the GAF units, it also participates in the planning of the managerial and development activities of the reserve mobilization system.
- **J-2 Intelligence Department** – ensures intelligence and informational provision of the GAF and carries out related planning activities, as well as - coordination and security.
- **J-3 Operational Planning Department** – carries out activities necessary to ensure command the GAF. For this purpose, department plans military operations, ensures planning and provision of military trainings and defines strategy of the information operations.
- **J-4/8 Logistics and Resource Planning Department** – Develops logistic support and recourse allocation plans for the GAF.
- **J-5/9 Strategic Planning, Military Policy and Civil-Military Cooperation Department** – based on the defence priorities, performs military policy planning, within own competence and in cooperation with Ministry Civil Office coordinates international military cooperation, develops future structure of the GAF and its development concepts, defines civil-military cooperation strategy.
- **J-6 Communications and Information Systems Department** – plans, coordinates and organizes support of the MoD command and control systems through communications and information systems. Also, takes necessary steps to implement and further develop those systems.
- **J-7 Military Education and Combat Training Department** – defines the main directions of the military education and training within the GAF, establishes a system of sharing experience and coordinates the development of the relevant doctrines.

The General Staff of the Georgian Armed Forces consists of following structural units (See Figure 2.2):

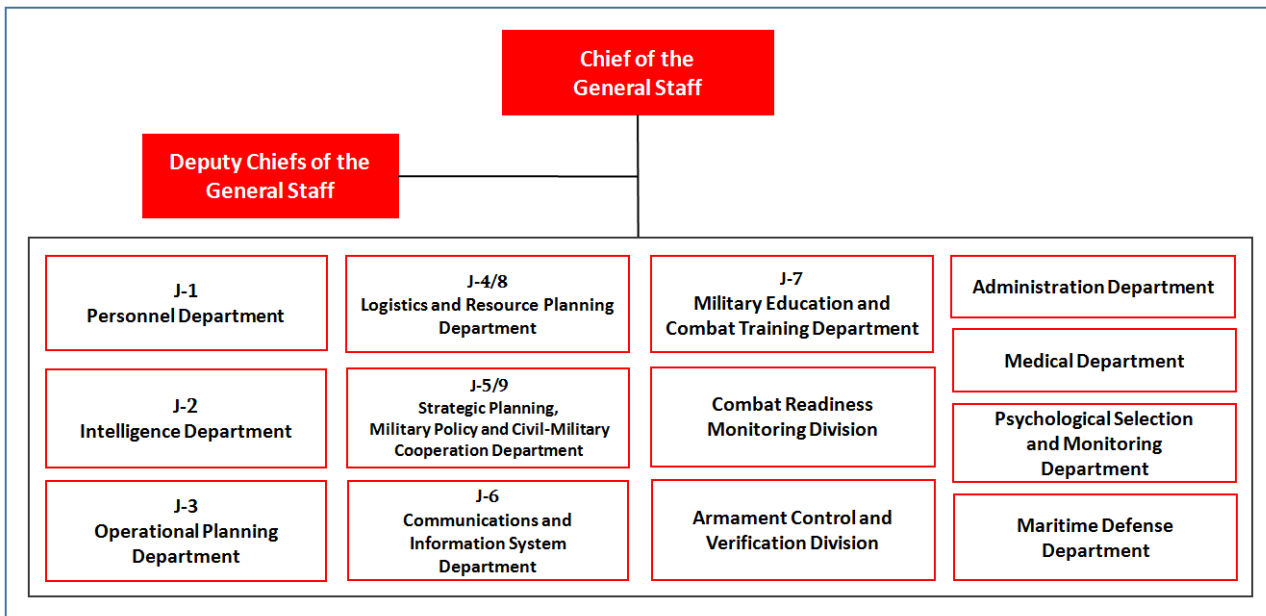


Figure 2.2: Structure of the General Staff as of 2014

### 2.3. Georgian Armed Forces

Main objective of the Ministry of Defence is to establish professional, properly equipped Armed Forces. During the defence transformation process, special attention is paid not only to gradual strengthening of defence capabilities, but first and foremost to creating the necessary conditions for the military personnel.

The purpose of the Military Forces of Georgia (among those - the GAF) is defined by the Constitution and involves protecting the independence, sovereignty and territorial integrity of Georgia, as well as complying with international commitments. The GAF are managed in accordance with the principle of democratic control of the Armed Forces - under direct instructions and supervision of the MoD leadership.

Taking into consideration the security environment and country interests, main objectives of the GAF are:

- Deterrence and Defence;
- Contribution to Strengthening Regional and International Security;
- Support to Civil Authorities during Natural and Manmade Disasters.

During wars and crises, the Land Forces are responsible for maintaining the level of combat readiness, operational planning, force projection and operation management in accordance with the General Staff's strategic directions and the Defence Plan. Fulfilling military tasks depends on the GAF's capabilities and skills. It requires achieving high combat readiness level, improving defence capabilities, continuing to raise the level of professionalism of military personnel and transforming the GAF into a more mobile force that is interoperable with NATO.

The following sub-divisions are subordinated to the Land Forces Command: 1 Light Infantry, 3 Infantry, 1 Mechanized, 2 Artillery, 1 Engineering, 1 Air Defence, 1 Aviation Brigade, 1 mixed Aviation Base and Communications Cell, as well as separate Medical and Intelligence Battalions established in accordance with the "Strategic Defence Review 2013-2016" recommendations. Additionally, two cadre infantry brigades are subordinated to the National Guard (See Figure 2.3).

In accordance with the recommendations of the "Strategic Defence Review 2013-2016", the process of disestablishing the Land Forces Command and instead establishing the East and West Operational Commands has been underway and will be completed upon adopting relevant amendments in the legislation.

The mentioned commands will carry out operational management and control over their subordinate units within their operations areal. This will streamline command and control, ensure better resource allocation and facilitate more efficient logistics provision.

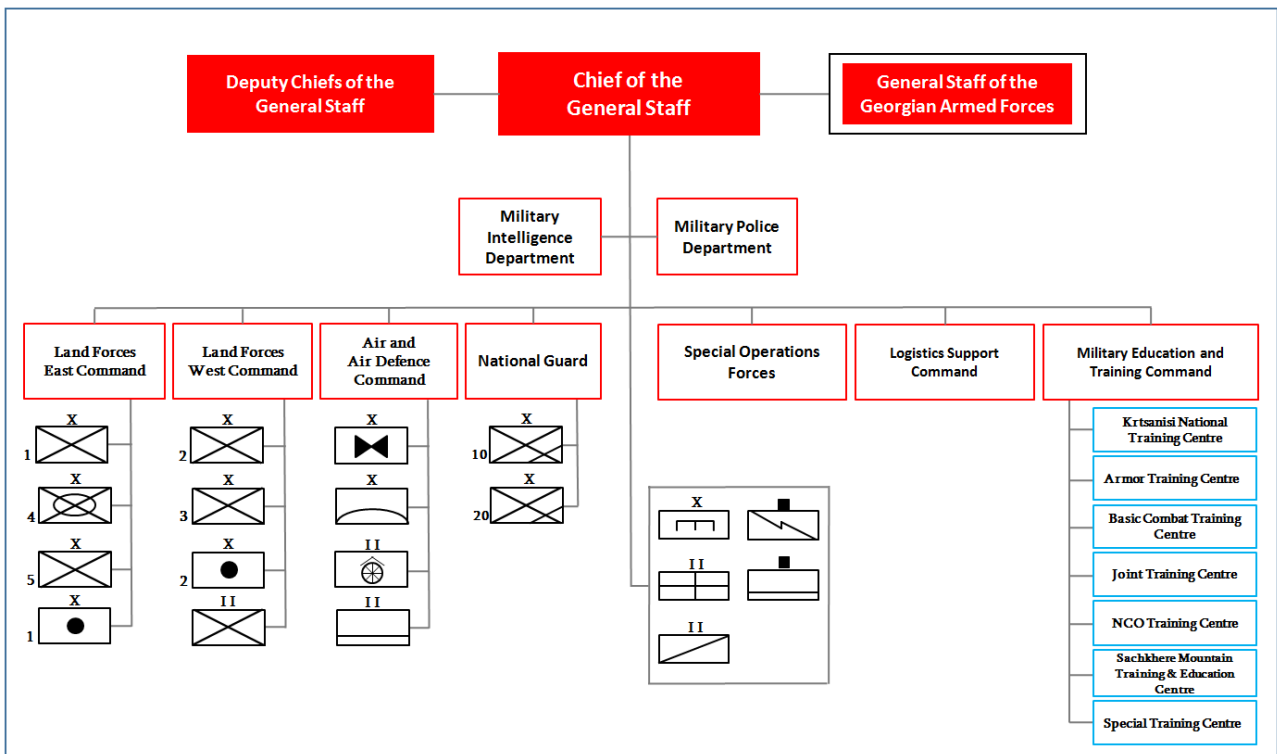


Figure 2.3: Georgian Armed Forces

### 3. Defence Management and Planning

Managing and planning defence is carried out in accordance to the defence legislation. The priorities for planning and management stem from national strategic and conceptual as well as MoD, intra-agency documents elaborated within the National Security Review process (NSR). Defence planning and management also requires an organized defence resource management system.

#### 3.1. Legislative Framework

The MoD operates in accordance with the Constitution of Georgia and other legislative acts. The Constitution provides main principles and mechanisms according to which Defence planning and management is performed. As of today Georgia's Defence and its planning is regulated according to following laws:

**Law of Georgia on the Defence of Georgia** defines the basis and organization of Georgia's Defence, and the rights and responsibilities of State authorities, enterprises, establishments, organizations, officials and citizens in the Defence sphere.

**Law of Georgia on Defence Planning** serves as the basis for Defence planning and defines specific requirements and responsibilities. It envisages the development and periodic review of Defence planning legislation at both the strategic and intra-agency levels.

The legislation regulating the Defence sphere is updated periodically. Based on a Defence Minister's decree, a working group has been established to develop drafts of legislative changes and amendments.

#### 3.2. Conceptual Framework

The GAF is guided by strategic and intra-agency documents that define fundamental values and interests of the State as well as threats and challenges facing the country (See Figure 3.1).

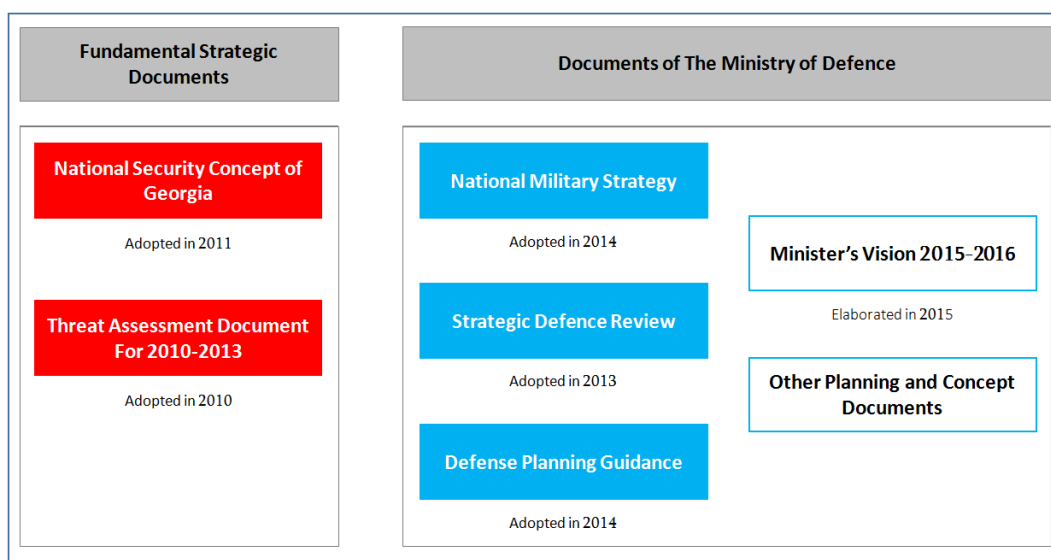


Figure 3.1: Strategic Documents

- **National Security Concept of Georgia** defines fundamental national values and interests, threats, risks and challenges; and the main directions of the national security policy concerning foreign, social and economic priorities.
- **Threat Assessment Document of Georgia** defines political, economic, military and transnational threats to the country, risks of their materialization and expected outcomes.
- **National Military Strategy** defines strategic military objectives and tasks for the MoD as well as the necessary capabilities required to accomplish those objectives and tasks.
- **Strategic Defence Review document** defines the main directions of the MoD and the GAF to develop national Defence capabilities and enhance interoperability with NATO. Considering assessment and analysis of existing capabilities, the recommendations provide a vision to improve GAF capabilities through the execution of the Strategic Defence Review Implementation Plan (SDR IP).
- **Defence Planning Guidance** is a medium-term planning document to provide MoD structural units with the necessary directions, recommendations and resource guidance to elaborate GAF development programs on the basis of analyzing current strategic documents and available resources.
- **Minister's Vision document** is informational paper that reflects main directions of the MoD and the GAF for the short-term planning period.

### 3.3. Decision-Making Mechanism

To increase effectiveness and decentralization of the management process at the MoD a three-level system of decision-making was established. It consists out of permanent Working Groups, Management Team and Decision-Making Board (See Figure 3.2).

The permanent Working Groups (WG) consist of the representatives from MoD and GS that facilitates coordinated collaboration between these structures. The WGs discuss, processes documents and plans related to their competence and prepares recommendations for the Management Team (MT).

The MT is one of the important links in the decision-making chain. It is chaired by a Deputy Minister and co-chaired by Deputy Chief of GS. The MT is comprised of department-level heads of structural units from both the MoD and GS. The Head of the Defence Policy and Planning Department serves as the Deputy Chair, while the representative of the Reforms Coordination Division performs the function of a secretary. The function of the MT is to assess short, mid and long term Ministry developing planning documents, aid defence planning and management processes, carry out defence reforms, coordinate activities of the Permanent WGs submit recommendations to the Decision-Making Board (DMB). The DMB is chaired by the Minister and is comprised of all Deputy Ministers, the Chief and the Deputy Chiefs of the GS.

The DMB oversees strategic defence and interagency planning process, internal strategic planning process, reviews and adopts strategic documents, assesses proposals and recommendations elaborated by

the MT and issues relevant tasks and instructions. The functionality of the decision-making process is achieved through active collaboration and engagement of the MoD and GS structural units. The current decision-making structure supports credible planning, execution and reporting on defence transformation and institutional capacity building issues consequently leading to adoption of rational decisions.

The Ministry assessed strengths and weaknesses of the decision-making process and elaborated a renewed version of “Decision Making Board, Management Team and Permanent Working Groups Statute”, which was approved by the MT. According to the changes the DMB, MT and WGs functions became more concrete; the number of WGs is be increased (The new Information Technology and Cyber Security Working Group will be established). Additionally, the Heads of DMB, MT and WGs will be empowered to invite the representatives of government and non-governmental organizations if necessary.

The amendments shall also imply the MT`s quarterly reports on the implementation of the SDR IP and submission of relevant recommendations to the DMB. The package also entails an alternative form of decision-making on the MT level, which implies decision-making by surveying members of the group. If adopted, this practice shall aid approval of submitted projects without necessity of additional meeting. The secretary of the MT shall email the group members the draft document/project. The decision shall be taken as granted if the project is supported by the majority of members of the group within given timeframe.

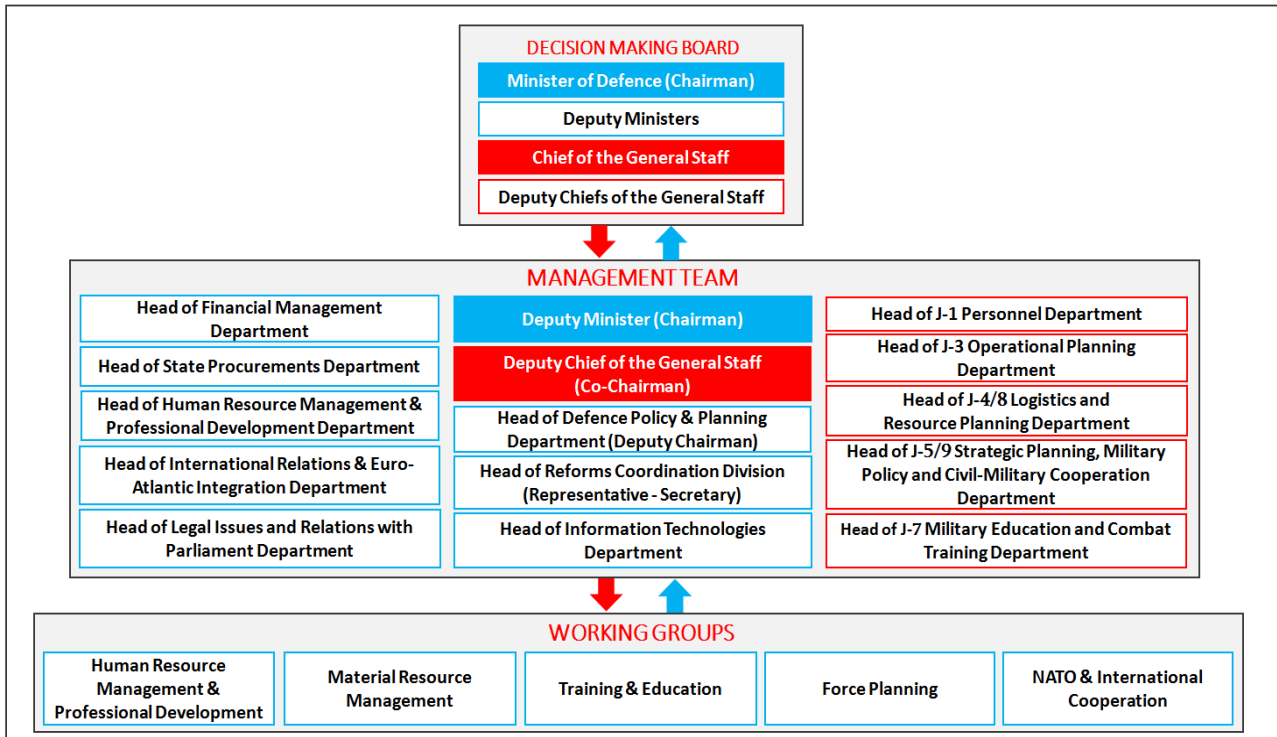


Figure 3.2: Decision-making Structure



### 3.4. Defence Resource Management

The key objective for defense resource management system is to ensure rational allocation of resources for the GAF and therefore – strategic planning pertinent to existing reality. The system includes planning, implementation and evaluation of budgetary programs of the Ministry of Defense. During the program elaboration process the MoD takes into account estimated budget and personal ceilings defined by the Ministry of Finance.

#### 3.4.1. Material Resource Management

The MoD continues implementation of the Planning, Programming and Budgeting System (PPBS). PPBS shall ensure effective allocation of defence resources to support priorities given in agency level strategic documents. The successful implementation of this system will result in complete program-based budget that will include detailed information about planned activities for the budgetary year, funding required for implementation and performance indicators for assessing the effectiveness of its resource allocation.

#### 3.4.2. Financial Resource Management

Financial authority of the MoD system is performed by the Financial Management Department, Force Logistics Support Command, as well as separate financial units of the General Staff, Commands, Brigades, Separate Battalions, National Guard, Military Police, Intelligence Department and material-technical sections of military sub-units. Financial transactions are centralized and carried out through Treasury Service of the Ministry of Finance of Georgia. Within the MoD they are managed by the Financial Management Department that registers operations on a cash basis.

#### 3.4.3. Human Resource Management

The proper management and professional development of the human capital is one of the crucial Ministry functions. The objective of the Ministry is to develop a system ensuring equal opportunities for every single employee striving for realization of own potential and goals. The effective Human Resources Management System ensures recruitment, development and retention of employees holding relevant knowledge, professionalism and competence. Further development of this system remains a key priority for the MoD to institutionalize merit based management practice.

The Human Resource Management and Professional Development Department, together with J-1 Personnel Department of the GS, are responsible for elaboration of unified military and civil personnel management policy and control over its implementation. The important function of the Human Resource Management and Professional Development Department is to define, institutionalize and carry out civil staff recruitment, selection, performance management, professional development, career management and personnel retention policy. Whereas planning, implementation and control of measures necessary for adoption of Ministry`s personnel management policy within the GAF falls within the sphere of responsibility of J-1 Personnel Department of the GS.

## 4. Main Priorities for 2014

The main MoD and GAF priorities for 2014 are given in the “The Minister’s Vision 2013-2014” document. These priorities are:

- **Increase transparency and enhance civil control** – maximizing transparency of MoD activities will significantly decrease the risks of making an ill-advised decision, promote effective implementation of the Defence transformation process and better ensure the institutionalization of these ongoing reform measures.
- **Improve Defence Capabilities** – raising the level of professionalism, mobility and combat readiness of the GAF requires mobilization of financial, material and human resources. Changes implemented/planned for 2013-2014 in this direction will create a firm basis for the formation of the Objective Force 2016 envisioned in the Strategic Defence Review.
- **Strengthen human resource management and professional development** – to improve the professionalism of civilian and military personnel, it is necessary to implement comprehensive professional development programs and enhance human resource management. Improving the social and healthcare programs of military personnel and their families are especially important.
- **Implement institutional reforms** – the intent is to modernize MoD functional systems that support Defence planning and management – personnel, intelligence, operations, training, sustainment and financial.
- **Enhance NATO interoperability and international cooperation** – NATO integration is one of the main priorities of Georgia’s political and security policies. The aim of the MoD is to support integration of the country into the Euro-Atlantic community through unwavering military engagement.

The full version of The Minister’s Vision documents for 2013-2014 and 2015-2016 are accessible through the MoD web-page ([www.mod.gov.ge](http://www.mod.gov.ge)).

## 5. Transparency and Accountability

The management of the Ministry, development and use of the armed forces, procurement of armaments and material means is carried out in accordance to the principle of democratic control. Therefore, one of the most important priorities of the MoD is to increase the transparency and accountability, encouraging healthy and effective functioning of the defense system. The concrete steps were taken in this direction in 2014.

### 5.1. Building Integrity Program

The Building Integrity Program (BI) was established and successfully functioning since 2007 with aim to enhance transparency of defence and security systems of NATO member and partner countries. The MoD officially joined the NATO BI program at the beginning of 2013. Within the scope of the program the Ministry periodically carries out relevant activities to strengthen transparency, accountability and anti-corruption environment of the agency.

In 2014 the “Defence Ministry Building Integrity Action Plan 2014-2015” was approved by the order of the Minister of Defence. The document intends to increase the transparency and accountability of the defense system and reduce risks of corruption. The action plan encompasses seven main priorities (parliamentary oversight, anti-corruption policy, human resource management, financial and material resources management, procurement, public relations and access to information). Implementation of specific measures given in each of these directions shall significantly increase the efficiency and transparency of the defense management system. The action plan also specifies the structural units responsible for implementation, responsible deputies of the Minister and Chief of the General Staff, as well as the deadlines and evaluation indicators.

It should also be noted that in May 2014 the MoD and NATO signed a memorandum of understanding on “Supporting building integrity training courses in the defense and security sector”.

### 5.2. Strengthening Parliamentary Oversight

The MoD actively cooperates with the Parliament of Georgia for effective implementation of parliamentary control and supervision over planned and ongoing activities of the Ministry. In particular, leadership of the Ministry and the General Staff regularly participates in the defense and security committee meetings, with aim to inform members of the Parliament about ongoing developments, future initiatives and cooperation with strategic partners (NATO-Georgia, US-Georgia defense cooperation, ISAF, etc.).

Defense Minister regularly presents the Parliament a detailed report of the activities and expenses. For example, more than 20 committee hearings were held in 2014 involving the MoD officials. These hearings were devoted to discuss issues related to the accomplished and ongoing changes, NATO-Georgia relations, conceptual and strategic documents prepared by the Ministry, the legislative changes proposed by the Ministry etc.

Throughout 2014 the MoD enjoyed close, ongoing cooperation with the Defense and Security Committee of the Parliament of Georgia regarding law-making and parliamentary control activities resulting in adoption of 10 draft laws and review of 8 more on committee hearings.

In addition, the members of the Parliament are involved in the daily activities of the Armed Forces, participating in important events. For example, in February 2014, the Chairman of the Defense and Security Committee of the Parliament of Georgia attended presentation of the Georgian-made helmets and bulletproof jackets at the Special Operations Forces base.

In March 2014 the President of Georgia, Chief of General Staff, Deputy Defense Minister and Chairman of the Defense and Security Committee of the Parliament of Georgia paid visit to the Georgian militaries stationed in Helmand province, Afghanistan. In April, the Chairman of the Defense and Security Committee hosted 47 trainees of George Antsukhelidze NCO School discussing recent developments in the military sphere, as well as issues related to the development of state security and civil defense. Finally in May, a meeting was held at the National Defence Academy. The three-day seminar was solely devoted to the gender equality issues.

### 5.3. Procurement Transparency

The Ministry announces tenders using the electronic system of procurement and places information on the web-pages of both the State Procurement Agency and MoD (in the section specifically dedicated to tenders) to ensure maximum transparency. Representatives of the non-government sector actively supervise the process of procurement by monitoring these web pages and attending tender commission sessions at the invitation of the MoD.

According to the Unified electronic System data in the process of funding “2014 State budget” 484 electronic tenders and simplified electronic tenders, with total value - 34 431 225.60 GEL was announced. 250 agreement on Government Procurement with total value of - 19 229 359 GEL were signed, resulted in saving of 2 063 471.42 GEL. Additionally, the description of goods stock warehousing, inner warehousing operational processes and procedures was carried out via automated program for warehouse management which shall contribute to elaboration of new standards on one hand and creation of primary database necessary for elaboration of electronic programs, modules on the other (See Figure 5.1).

Year	Number of Tenders		
	Signed	Not Signed	Announced
2011	16	16	32
2012	17	5	22
2013	136	106	242
2014	250	234	484

Year	Value of Tenders (GEL)			
	Signed	Not Signed	Saving	Announced
2011	11 055 310	62 624 780	1 367 524	75 047 614
2012	17 708 329	40 110 000	1 446 209	59 264 538
2013	32 309 076	140 731 865	6 610 040	180 850 981
2014	19 229 359	15 201 866	2 063 471	34 431 225

Figure 5.1: Value and Number of Tenders Announced by the Ministry of Defence

#### 5.4. Involvement of the Non-governmental Sector

Defense Ministry is actively cooperating with the civil sector. Ministry has set up three thematic working groups composed of experts and non-government organizations (transparency and human rights, and international operations, defense transformation and NATO working groups), encouraging their involvement in the ongoing defense reforms and monitoring thereof. The membership of these working groups is open to all interested organizations.

The Ministry leadership runs periodic meetings with group members. During the 2014 twelve meetings were held with representatives of non-governmental organizations. The members of the working groups presented their views on legislative changes (the draft laws), current reforms, strategic documents and action plans. The meetings are designed to improve transparency of the Ministry's activities and involve civil society in reform's development and implementation process.

Within this collaboration a special attention was paid at the NATO Wales summit and issues related to the future NATO-Georgia cooperation. Two meetings were held to discuss these topics. One of those meetings involved a visit of Mr. Frank Boland a Director of Force Planning, NATO Defence Policy and Planning Directorate, and Mr. Gustav Romeo, a Planning and Review Process observer from NATO Defence Policy and Planning Division.

The MoD also continues to organize the "National Defence Executive Course". In May 2014, the third such course was held with active support of the Ministry of Defence of Estonia. Among the participants were representatives of State institutions, private sector, NGOs, media and educational establishments. The course attendees got acquainted with the national defense and security system, ongoing reforms and analyzed own input in the country's security environment. They also worked on simulation of crisis scenario. The "National Defence Executive Course" resembles courses adapted in the Nordic and Baltic countries. The course was organized with help of NATO-Georgia Professional Development Program and the Professional Development Center of the National Defence Academy of Georgia.

An active cooperation is being continued between the MoD and "Union of the Friends of the Army" with the aim to strengthen relations between the Armed Forces and the public and sustain the military's

popularity. The members of the Union, well-known film and theatre directors, actors, musicians, scientists, writers, businessmen and other public figures regularly visit the Ministry and military units and conduct discussions with employees and military personnel. In 2014 about twenty films, three concerts, ten performances in various theaters, fifteen lectures on educational and cultural programs were conducted.

### **5.5. Communication with Society and Media**

The Ministry elaborated a “Public Relations Plan for 2014” to improve civil society awareness. The document defines activities important for public and media relations. Also, a draft document on public relations strategy was developed. The strategy defines Ministry`s main directions for information policy and public relations.

In order to improve direct communication with citizens, a special Citizens` Reception Office was opened at the MoD. Reception staff provides every interested citizen with relevant detailed information and counsel. For convenience the Reception Office also has a “Hot Line”. The reception staff also organizes face-to-face meetings of citizens with senior Ministry officials. Deputy Defense Ministers and Chiefs of the General Staff meet citizens in the reception office during working hours to help resolve critical issues quickly and effectively. 623 citizens enjoyed this service in 2014. Additionally, a total number of applications submitted to the Ministry during the year amounted to 5123.

Important events, visits, military exercises and other important activities are actively covered throughout the year. Information is timely disseminated via official website ([www.mod.gov.ge](http://www.mod.gov.ge)), as well as the defense Minister`s and the Ministry's official “Facebook” page and “Youtube” web service. In 2015 the MoD shall start a new website, which will be more informative and interactive. The web page shall have a separate space dedicated to public information. Citizens will be able to obtain the desired information electronically upon their request.

The MoD also elaborated several important media communication documents. The Information Strategy on involvement of Georgian militaries in the ISAF-'s mission were developed, setting out the purpose of informing the public, target groups, ways and methods of communication. The document has its action plan, section with media procedures and communication guide during the crisis. Additionally, two civil staff employees were sent to Afghanistan tasked to facilitate public informing on Georgia's involvement in the ISAF-'s mission.

The public media plan, messages, possible questions and answers as well as mission Information Package was developed for representatives of different media on EU-led peacekeeping mission in the Central African Republic.

### **5.6. Issuing Public Information**

On June 23, 2014 the Minister of Defence issued order (№863) on “Provision of Accessibility of Public Information in the Ministry of Defence” defining personnel personally responsible for leasing public information. This measure shall ensure timely registration, review, processing and reply to letters demanding public information.

The Ministry issues any public information upon request, other than personal data, classified information or information which is protected from disclosure by law. In case of refusing access to public information, the Ministry provides every applicant with explanation on legal basis for denial.

### 5.7. Georgia`s Defence and Security Conference

The 9<sup>th</sup> Georgia Defence and Security Conference, organized by the MoD, was held in Batumi in June 2013 bringing together high-ranking officials, respected foreign visitors and representatives from the non-government sector of Georgia. Envisaging the scope and the themes, the Batumi conference is unique in the region. It aims to share best practices and deepen cooperation in the defense and security field.

In 2014 the venue was attended by number of officials from 35 countries, representatives of non-governmental sector from 50 different countries, as well as experts from NATO and the European Union. The panelists discussed current and future security challenges and trends. In particular, the conference was held to debate on following important topics:

- Secure Europe: Reshaping Security Paradigm and Seeking for New Approaches;
- EU Beyond its Borders: Engagement for Security and Stability;
- The Wider Black Sea Region: Strategic Pillar for Euro-Atlantic Security;
- Post- ISAF NATO: Maintaining Capabilities and Interoperability;
- Georgia: Knocking on NATO's Door;
- Reinvigorating the Alliance at the 2014 NATO Summit.

## 6. Defence Capabilities

Improvement of defence capabilities requires implementation of complex activities. The MoD applies a balanced approach in developing critical defence capabilities. With regards to scarcity of material resources, the improvement of defence capabilities is prioritized.

### 6.1. Command and Control

To improve command and control capabilities GAF and GS structural optimization was carried out, package of legislation amendments developed, GAF and GS structural units' functions and responsibilities were delineated. The military command centre's organization project was developed to aid effective implementation of command and control systems. The working group for elaboration of standard operational procedures for command posts was set up. The "GAF Command and Control Concept" was elaborated to identify GAF command and control mechanisms in times of peace and war. The document was reviewed on interagency level as well as by the National Security and State Security and Crisis Management Councils.

### 6.2. Transition to Pay-by-rank System

Transition to pay-by-rank system is important to form personnel management system that will be in line with western standards. For this purpose the MoD elaborated the "Military Personnel Transition Plan to Pay-by-rank System". According to this plan, under the order of the Minister of Defence, Georgian Armed Forces shifted from the pay-by-position to pay-by-rank system from September 1, 2014. It should be noted that the transition to pay-by-rank system was one among other NATO obligations Georgia was committed to fulfill.

### 6.3. Military Intelligence

The MoD Military Intelligence System Transformation Concept was developed and approved, respectively. Adoption of this document serves the purpose of optimization of military intelligence system, intends gradual improvement of intelligence capabilities and promotes NATO interoperability. Based on the concept, an Action Plan for the development of military intelligence capabilities was elaborated. The draft paper on Military and Operations Safety was also elaborated. Additionally, intelligence units, including ones subordinated to the West Operational Command of the Land Forces, took part in situation field training "GODOGANI 2014" and intelligence situation training "TEKHURI 2014". In order to enhance combat readiness level the Ministry carried out "Intelligence Units Retraining Program"

### 6.4. Special Operation Forces

The MoD elaborated draft paper, "Special Operation Forces' Development Strategy for 2015-2020", which will define main development directions, ends, ways and means. The development of doctrines and guidelines was carried out as scheduled. The elaboration of standard operating procedures for SOF HQ Operational Process is in progress. During the year attention was paid to the structural reorganization of training center and schools. Planning and execution of administrative, residential,



training and logistical construction-reconstruction works at SOF bases is in progress. The relevant plan for renovation and acquisition of existing material-technical means was developed.

The cooperation of the GAF Special Operations Forces with NATO and partner countries' military representatives is evolving. As a result the MoD enjoys fruitful cooperation with NATO Special Operations Headquarters (NSHQ), US Special Operations Command (USSOCOM), US Special Operations Command in Europe (USSOCCEUR) and other partner countries. Visit of NATO Special Operations Command is worth mentioning. During the visit, NATO representatives conducted pre-evaluation of Special Operation Forces and gave recommendations concerning Georgia's obligations and participation of operational tactical unit's in NATO missions for 2017.

Rangers and mountain-intelligence battalion completed participation in the ISAF mission and in November 2014 the battalion's last contingent returned to Georgia.

### **6.5. Mobility and Counter Mobility**

Engineering school within the Training Center "Krtsanisi" was established and instructors for Engineering School selected. Structure and staff of the engineering brigade and engineering units was elaborated and approved. Elaboration of engineering units' development plan is undergoing.

### **6.6. Air Defence**

The airspace control and air defence Development Plan drafts were developed. These plans envisage modernization of current armament and military equipment, procurement of new military equipment and hardware and training and re-training of personnel to ensure proper use of these items. Seasonal repair works were conducted for all combat and special-use military equipment. New staff plans of Aviation and Air Defence brigades were approved.

### **6.7. Maritime Defence**

The united data base of floating vehicles was developed to better serve mobilization purposes. The staff members of the Maritime Defence Department participated in sea search and rescue training operations and liquidation the consequences of accidentally oil spilt "SEA BREEZ 2014" in Odessa, Ukraine and "GEO SAR & OSREX 2014" Batumi, Georgia respectively.

### **6.8. Communication and Information Systems**

The new structure and staff plan of the Communication Centre of Land Forces was approved. According to changes, the Centre acquired new function and new structural unit - the "Command Posts Technical Provision Division". The GAF participated in the communication exercise "COMMUNICATION-2014" and simulative communication exercise. Communication sub-units of the Armed Forces also participated in exercise on provision of communication in mountain and forestry areas. The communications capacity of the Land Forces' aviation and air defense sub-units was assessed and steps have been taken to ensure provision of inner communication networks for units with poor communication capacities. Additionally, steps have been taken to elaborate record sheets for auto transport, inventory, infrastructure, armored military vehicles, armament and electronic registration system for armament and communication.

### 6.9. Logistic Support

Currently, elaboration of the logistic support doctrines is in process. The MoD defined logistical processes, procedures and related work descriptions to automate logistics operations. The creation of an electronic system is underway, encompassing creation of several most relevant modules. The system will be tested by the end of 2015. Additionally, the logistics management simulation training (JCATS) was held for higher defence management in September 2014. The purpose of this training was to reveal existing flaws and to make necessary improvements in future.

### 6.10. Military Infrastructure

During the 2014 the MoD was focused on renovation of military infrastructure. The Infrastructure Development Plan for 2014-2015 was elaborated setting improving conditions of military barracks and mess halls as a priority. Moreover, facilities and buildings were accordingly renovated. Special attention was put on improving water supply, sewers, electricity, gasification systems and other related construction works. Among those following important infrastructural projects were carried out:

- Installation of pull bars, video surveillance and provision of necessary e-service in the mess halls of National Defence Academy of Georgia and catering facilities of the 52<sup>th</sup> battalion of 5<sup>th</sup> infantry brigade of the East Operational Command, in accordance with Soldier Catering Electronic Registration pilot project;
- Repair works of the mess hall and guard building at the Krtsanisi Training Centre;
- Reconstruction-refurbishment of the Tserovani Military Personnel Rehabilitation Centre including setting entertaining grounds;
- Construction and refurbishment of the building №1 at the National Defence Academy of Georgia situated in city of Gori;
- Activities necessary for renovation of the Aviation Brigade situated in Marneuli;
- Renovation and reconstruction of the MoD civil Office building and Military Police Department space and barracks;
- Enclosing the fences to Armored Learning Center.

Activities carried out in 2014	
Finished Infrastructure and Construction Works	28
Ongoing Infrastructure and Construction Works	17
Finished Construction Projects	32

Figure 6.1: Summary on Military Infrastructure and Construction Works

### 6.11. Military-technical Capabilities

Throughout the year the MoD took part in various activities related to the military-technical sphere. In total the Ministry took part in up to 15 different seminars and working meetings held in countries of European Union, hosted 2 symposiums and 2 international seminars about export control of military weapon also attended by European Union and US experts, as well as representatives from Azerbaijan,

Moldova, Belarus and Armenia. During the year the state budget of the country received approximately GEL 200 000 through permits and licenses issued by the Military-Technical Issues Department of the Ministry of Defence.

#### **6.12. Reserve and Mobilization System**

The revision and analyses of current Reserve and Mobilization System has been underway, considering the scarcity of available financial assets. In 2014 the Ministry elaborated the draft document on the GAF Reserve and Mobilization system aiming to improve reserve and mobilization system in future. Based on this document and best international practice, the Reserve and Mobilization Concept as well as supporting Action Plan will be elaborated and approved; existing legislation will be amended accordingly. In addition, during the 2014-year period, the Geo-informational database was updated regarding the information about reservists. In December 2014, the representatives from Danish Kingdom Home Guard helped to rehabilitate the preparatory bases “Sorta” and “Paldo” for 10<sup>th</sup> and 20<sup>th</sup> brigade reservists. During the 4<sup>th</sup> quarter, 2014, the National Guard sub-units held the combat preparedness activities.

## 7. Human Resource Management

Coherent human resources management contributes to the effective organization of the defense system. The ongoing reform in this sphere aims to adopt and develop modern and effective human resources management system and attract-retain professional and motivated military and civil personnel

### 7.1. Enhancing Human Resource Management

The MoD takes constantly seeks to enhance its human resource management system. During the reporting period "The Development Strategy of Defence Ministry`s Civil Personnel Human Resources Management System" was elaborated and approved. This document describes all aspects of human resources management system and ways of their implementation. The strategy defines main directions necessary for comprehensive development of the human resources management system, human resource management mechanisms, indicators of success and suitable outcomes, conditions, ways and means necessary for implementation of the system.

In 2014 the Ministry published brochure "A Public Servants` Guide for Ministry Civil Office Employees", which describes objectives, structure, the relationship between the structural units (coordination), main responsibilities of public servants, their social guarantees, main principles for the Ministry`s for gender equality and anti-corruption policies and other significant administrative and legal issues. The MoD also developed an action plan for elaboration of electronic system for human resources management, setting out the basic modules of the system and their due dates.

In order to enhance Human Resource Management System, the Ministry has started to work on drafting "A Public Servants` Professional Development Guide for Ministry Civil Office Employees" and "Ministry of Defense Professional Ethic Norms" documents. At the same time, the Ministry is focused on developing a "Job Classification System" document and draft project on Staff Competencies. Currently the work is in progress on elaboration of the "Performance Evaluation System" document (based on employee job descriptions) and its guidelines.

In 2014 a Civil Office of the Ministry carried out 12 meetings on civil personnel professional development programs planning and candidate selection. In total, 22 different courses were reviewed and 27 staff members selected.

### 7.2. Improving Civil Office Staff Recruitment System

During the reporting period a draft strategy on the "Ministry Civil Office Open Competition and Candidate Selection Instruction" was elaborated. The strategy, as a manual, shall explain best ways to attract and select individuals willing to be employed in the MoD. In particular, the document defines the procedures for competition, activities of the Selection Commission, selection stages, candidate evaluation process, activities of the Appeals Commission, appeals rules and procedures and all important issues related to the competition and selection process.

In 2014 the MoD announced open public contest for 113 vacant positions receiving a total of 3172 applications. Only 469 were considered to comply with qualification requirements. As a final result 84 new employees were selected on the basis of an open public competition.

The defense system orientation programs were adopted for newly recruited employees. The program includes raising awareness on Ministry structure, mission, objectives and priorities. In addition, the Departmental Heads carry out meetings with newly selected personnel and provide later with information about activities of the Department. During the program, the newcomers are provided with materials, presentations, important documents and important textbooks. During 2014 the Ministry carried out four orientation programs.

### **7.3. Improving Military Personnel Management System**

The MoD adopted several important documents in 2014 to facilitate a personnel management policy. Namely, the Ministry elaborated the "Military Personnel Command Systems Development Strategy". The document defines ways and means, as well as principles that should serve as basis for elaboration and adoption of contemporary military personnel management system, adherent to western standards.

The officers' and NCO position qualification requirements were renewed and the Military Personnel Promotion Concept paper was approved. The New Promotion System is Western Standard-based. It ensures promotion of military personnel in maximally just and concurrent environment. The system helps to promote most worthy and promising staff.

During the year Selection Boards ensured selection of personnel for promotion, appointment on relevant positions and participation in various study courses abroad. Up to 60 Selection Board meetings were held in 2014. The 83 various issues were reviewed and 2083 candidates - evaluated. In total 1349 individuals were selected.

With the help of foreign experts new, simpler evaluation form was elaborated and adopted. The annual evaluation of military personnel took place in March, 2014.

The Statute on "Military Service" was amended to define fixed service terms for individuals holding high military positions (so-called 3+1 system, which determines military personnel rotation process). According to this system the rotation of military personnel (on high positions) is carried out once in every three years, or once in every four years in special cases.

In addition, the Ministry introduced changes in military personnel contract terms (amount of fines were reduced).

In order to optimize a Military Specialties' Registration System the Ministry elaborated and approved Career Branches and basic coding lists of special qualifications and main specialties related to those branches. Also, the MoD prepared relevant amendments and elaborated a simplified performance evaluation form to amend the "Military Personnel Performance Evaluation Guide" in order to optimize and further improve military personnel performance evaluation system.

The Ministry elaborated a draft action plan and carried out relevant calculations with regard to transformation to professional armed forces.

#### 7.4. Gender Equality

On April 29, 2014 the Minister of Defense issued order №544 approving the Gender Equality Strategy of the Ministry which aims to support Government`s vision on promoting and implementing gender equality policy state-wide. In particular, the document supports creation of appropriate conditions necessary to ensure realization of equal rights, freedoms and opportunities between women and men, prevention and eradication of all forms of discrimination and fight against all forms of gender-based violence. The strategy also helps to raise awareness of military and civil personnel about UN Security Council Resolution №1325 on “Women, Peace and Security” and other subsequent resolutions. Moreover, the MoD introduced the "Gender Advisor" positions in the Ministry and the Armed Forces to support implementation of the Gender Equality Strategy, as well as gender equality policy stemming from UN Security Council resolution №1325 on “Women, Peace and Security and its Subsequent Resolutions”. Two gender advisers (1 male, 1 female) were identified at every Brigade level military units. One adviser was nominated by a military unit head, while the other was chosen by female military personnel. In total, 42 Gender Advisers were identified and immediately after underwent relevant trainings offered by UN Women organization, Women Information Centre, NATO Liaison Office, Geneva Centre for the Democratic Control of Armed Forces and supported by the MoD and the National Defense Academy.

The MoD established the Gender Equality Monitoring Group to facilitate and scrutinize implementation of the Gender Equality Strategy which is another important step to promote gender equality policy. The Group`s main objectives are to identify cases of gender discrimination and encourage proper response, analyze their causing factors and come up with recommendations to prevent similar accidents from happening in future.

It should be noted that the National Defense Academy offers trainings on "Gender equality and UN Security Council Resolution №1325 and its subsequent resolutions" for academy junkers, trainees and military personnel undergoing pre-deployment preparation process. Also, civil and military personnel employed in the defense system are regularly sent to attend various courses with regards to gender equality issues, both domestically and abroad. Lastly, in 2014 the UN Women organization conducted a gender audit in the Ministry of Defence that shall further aid implementation of gender equality policy in the defence system. Namely, appropriate recommendations shall be reflected in the Action Plan on the UN Security Council resolution №1325 on “Women, Peace and Security and its Subsequent Resolutions”.

## 8. Doctrines, Training and Education

The Ministry pays great attention to improve military education and professional development standards. For this purpose the Ministry elaborates doctrines, trains and retrains military personnel and civil staff. In essence, the Military Education System must support establishment of professional, intellectual leaders, officers and NSO core. The training process should be guided by modern textbooks, methodology and simulation exercises. The exercises should be conducted by modern methodology, textbooks and simulations as much adapted to real time combat conditions as possible in order to preserve high combat readiness and achieve NATO interoperability.

### 8.1. Doctrines and Manuals

Important steps have been taken in 2014 to elaborate doctrines and field manuals, develop their unified system and institutionalize implementation process. A list of priority doctrinal documents was defined for strategic, operational and tactical levels. The MoD published 25 new manuals, translated 56, with another 54 in process. At the same time the Ministry works on elaboration of doctrine development concept.

The following documents were elaborated to support improvement of military education system within defence sphere:

- “Officers` Military Education Concept”;
- “GAF Educational Process Policy”;
- “Examination and Evaluation Instruction for the GAF, Highest Military Education Institutions and Military Education Institutions“;
- “Statute on Certification and Issuing Diplomas for Personnel Employed in Defence System of Georgia”;
- “Educational Standards for the GAF, Highest Military Education Institutions and Military Education Institutions”.

### 8.2. Military Exercises and Trainings

The Military Education and Training Command of Georgian Armed Forces and its subordinated institutions (Krtsanisi National Training Center, NCO Training Center, Armor Training Center, Sachkhere Mountain Training School (NATO Partnership training and Education Centre), Basic Combat Training Center etc) play important role in the institutional development of the Armed Forces, military personnel training, military education and career preparation.

In 2014, Officer and NCO Military-Professional Education and Career Development concepts were approved, which aim to establish military education and career development vision for the officers and Sergeants of the Armed Forces. This is reflected in division of officers` and sergeants` military education levels and education steps in accordance to their career growth process.

In order to improve military personnel certification and performance evaluation process, the Ministry adopted statute on the “Military Personnel Certification” and instruction on the “Performance Evaluation”. Standards for educational programs were approved.

In order to improve preparation of specialists for the Armed Forces, military-engineering, military-medical, armor and mechanized schools were established within “Krtsanisi” National Training Center and Armor Training Center. The Ministry also ensured training/retraining of corporal-sergeants and junior officers (See figure 8.1).

<b>“Krtsanisi” National Training Center</b>	
Military -medical School	123 military personnel
Military-engineering School	19 military personnel
Artillery School	341 military personnel
Anti-aircraft and Anti-tank Specialists Training School	377 military personnel
Communications Training School	204 military personnel
<b>Armor Training Center</b>	
Armor and Mechanized Schools	409 military personnel

*Figure 8.1: “Krtsanisi” and Armor Training Center military personnel statistics for 2014.*

In 2014 with active support of US advisory team Cubic, the Instructor Training/retraining Course was elaborated on the basis of “Krtsanisi” National Training Center allowing training of 56 military servicemen. In addition, 2773 military servicemen undertook pre-deployment training for ISAF and RSM missions.

In 2014, the NCO Training School was established as NCO Training Center and was named after Russian-Georgian war hero George Antsukhelidze. 58 military servicemen undertook newly established NCO Command-Staff Course during the year. 225 military personnel attended Sergeant Training Centre main course (Squad leader course) and 69 - the platoon sergeant course.

The NATO Defense Education Program (DEEP) group visited NCO Training Centre in 2014. The group praised Center’s significant progress and mentioned that it plays a vital role in the development of the NCO corps.

Within the Partnership for Peace Program (PFP), Sachkhere Mountain Training School conducted training for both Georgian and foreign military personnel in summer and winter conditions. In total 94 Georgian and 74 foreign military servicemen were involved.

Throughout the reporting year (2014) more than 7000 Georgian and partner country military personnel were trained at Military Education and Training Command subordinated institutions. Special training seminars were carried out for brigade and subordinate units` headquarters staff to analyze and eliminate shortcomings revealed during the "Didgori 2013" military exercises. In addition, Krtsanisi Computer-simulation Centre conducted simulation exercise "JCATS" involving representatives of special operations forces and subordinate units` headquarters.



The inter-governmental Command and General Staff training exercise "Didgori 2014" took place in November. Its main objective was to improve interaction between various government institutions and develop command and control systems of the GS commands to act during crisis and war-time. The relevant military units from the Ministry of Internal Affairs were also enacted.

The Instructor and Command courses were carried out supervised and appraised by the Danish Home Guard and Estonian Defence League representatives. Additionally, Shooter-Instructors Course was held in the "Paldo" reservist training camp, while Command and General Staff Training "Sword-2014" was overseen by the representatives from Norwegian Home Guard.

During 2014 the Georgian military personnel were actively engaged in foreign educational programs and participated in international trainings and exercises (See Figures 8.2 and 8.2).

Military Personnel Trained Abroad	
2011	48 military servicemen
2012	31 military servicemen
2013	49 military servicemen
2014	250 military servicemen

Figure 8.2: Statistical data on GAF personnel trained abroad

Name	Place	Date	Number
AGILE SPIRIT-2014	Georgia	9-20 June	850 military personnel
RAPID TRIDENT-2014	Ukraine	15-29 July	25 military personnel
SEA BREEZE-2014	Ukraine	5-11 September	3 military personnel
SABER GUARDIAN-2014	Bulgaria	24 March -4 April	7 military personnel
COMBINED ENDEAVOR-2014	Germany	25 August - 12 September	10 military personnel
ETERNET-2014	Georgia	22-26 September	63 military personnel
SMEP-2014	Georgia	14-18 June	90 military personnel
VIKING-2014	Georgia	1-11 April	158 military personnel

Figure 8.3: International military exercises involving Georgian Armed Forces in 2014

### 8.3. Elementary Military Education

The General George Kvinitadze Military Lyceum of Cadets (Lyceum) is the initial pillar of military education in Georgia. It was established on 2 August 2010 and opened in September of that year. The Lyceum provides cadets with intellectual, cultural and physical education. It helps to easily adapt into active social life and prepares to undertake both military and civil service duties. The Lyceum also

aspires cadets to pursue military and officer`s career. As of today the Lyceum is regarded as one of the most distinguished educational facilities in Georgia in terms of infrastructure and quality of studies.

67 cadets graduated from the Lyceum in 2014, with 6 among those holding gold and 4 - silver medals. In 2014, only 120 cadets managed to enroll out of registered 515 contestants. Currently 284 cadets study at the Lyceum:

Course Title	Number of Trainees in 2014
I Course (10th grade)	111 cadets
II Course (11th grade)	89 cadets
III Course (12th grade)	84 cadets

Figure 8.4: Military Lyceum course attendees` statistics

The studies correspond to the national curriculum adopted by the Ministry of Education and Science and encompass an additional military program. Prior the start of an academic year cadets went through adaptation period: two weeks for 1st course and a week for 2nd and 3rd course trainees respectively. After completion of the academic year 1st and 2nd course trainees participated in theoretical and field training exercise (2 weeks each), defined by the military program.

Annually, cadets are actively involved in various educational activities and contests organized by the Ministry of Education and Science. More than 50 cadets were awarded top grade certificates, diplomas and siegels for successful participation in various competitions and olympiads in 2014.

#### 8.4. Highest Civil and Initial Military Education

The MoD attaches special attention to the development of educational programs of the National Defence Academy (NDA) since the Academy is the institution that provides one of the critical pillars in the foundation of modern, professional and prepared armed forces. The NDA is the successor of the first Georgian School of Junkers established in 1919. In 2013, the MoD introduced the initiative to restore the status of junkers to academy trainees.

The priorities for 2014 were: provision of effective study cycle, implementation and development of modern management approaches and mechanisms, development of material-technical base, enhancing cooperation state-wide and internationally and pursuing active engagement with civil society.

Great emphasis was made upon two NDA Bachelor School educational programs: Management and Informatics. Current undergraduate education programs were improved by amending each program`s syllabus and assessment system. It also should be noted that the Academy adopted e-governance management system to effectively manage ongoing study process. An electronic evaluation register was elaborated and rules regulating test process and examination discipline were adopted. Additionally, relevant course and examination materials for various training courses were prepared and uploaded. The learning process of the 1st course is entirely carried out through e-governance management program.

The bachelor School facilities and equipment were improved. In particular, the material-technical base of physics laboratory was enhanced to satisfy course needs. Computer Network and Information Technology Laboratory was established and technically set up. Additionally, course manuals and relevant literature on scopes and methods was prepared for all study courses.

Similarly, the specific activities were taken to develop command skills of the future officers. For instance, a leadership development program was formed. It is designed to craft leadership skills of an individual in different training environments. Leadership development program will grant junkers an opportunity to develop and improve those leadership qualities that reflect the core values of the armed forces. The program shall help to assess junker performance on various command or general staff positions. Newly acquired leadership skills will become useful in both officer career and civilian lifestyle.

The Academy students are actively engaged in various education activities in Georgia and abroad. In 2014 the NDA hosted a scientific conference for junkers and students from other highest education universities around the country, while Academy trainees took part in two conferences organized by the UN and UNICEF ("No to Discrimination" and "Women in War"). Four junkers were sent to US Air Force Academy to participate in "International Week" activities; two became interns of the San-Cyr Military Academy of France and three - Military Academy of Turkey.

Throughout the year, the NDA hosted high-ranking officials, ambassadors and well-known representatives of society. The visitors talked about various interesting topics, read lectures, initiated discussions and responded to questions (See Figure 8.5).

#### Visitors of the National Defence Academy in 2014

Visitors of the National Defence Academy in 2014		
<b>Jan</b>	Writers, <b>Mr. Lasha Bugadze, Mr. David Turashvili</b>	BA
<b>Feb</b>	Chairman of the NATO Military Committee, <b>General Knud Bartels</b>	BA
	Artistic director of the Marjanishvili State Drama Theatre, <b>Mr. Levan Tsuladze</b>	BA
	Paralympic Games Winner, <b>Mrs. Candace Cable</b>	BA
	Historian, <b>Mr. Vladimer Kekelia</b>	BA
<b>Mar</b>	Commander of U.S. Marine Corps Forces Command and U.S. Marine Corps Forces Europe, <b>Lieutenant General, Richard T. Tryon</b>	CCS/ JOS
<b>Apr</b>	Ambassador Extraordinary and Plenipotentiary of the Swiss Confederation, <b>H.E. Guenther Baechler</b>	BA
	Film director, <b>Mr. Stefan Tolz</b>	BA
<b>May</b>	Film director, <b>Mr. Rezo Chkheidze</b>	BA
	Deputy Defence Minister, <b>Mr. Mikheil Darchiashvili</b>	BA

	Head of the MoD GS Military Police Department, <b>Colonel Kakhaber Chikhradze</b>	CCS
Jun	Film director, <b>Mr. Eldar Shengelaia</b>	BA
	"This Able Vet LLC" founder, <b>Mrs. Jill W. Chambers</b>	BA/ Wounded Warriors
	Advisor to the President of Georgia, <b>Mr. George Abashishvili</b>	BA
Jul	American communications consultant and retired career United States Navy officer, <b>Mr. Jeffrey D. Gordon</b>	BA
Nov	Chairman of the European Union Military Committee, <b>General Patrick de Rousiers</b>	BA

Figure 8.5: List of NDA guest speakers for 2014

#### 8.4.1. Junior Officers' School

In 2014, Junior Officer's School (JOS) offered initial and major military education courses for future officers. For the first time, in accordance to the Military Education Concept, the JOS conducted Officer Candidates Training Course, which entailed training of the officer candidates. By the end of the course the trainees were assigned an initial military rank of "lieutenant" and distributed to various specialization courses to continue their military education. The military and civil personnel of the Military Police Department successfully underwent the Military Police Retraining Course. The second phase of the training program took place in the Police Academy of the Ministry of the Internal Affairs.

In 2014 decision was made on secretion of officers' major military specialization education courses from the NDA (artillery, communication, tank, intelligence, logistics, military police, military-engineering courses) and their assignation to the Military Education and Training Command of the GS. The process will be over in 2015.

In 2014 the "Military Police Officers' Retraining Course" was successfully launched involving military and civil staff from the Military Police Department. The course was elaborated as a result of mutual cooperation between the National Defence Academy and the Ministry of Internal Affairs (MoIA). Its second half took place at the MoIA Police Academy.

The list of courses and number of participants of JOS in 2014:

Course Title	Number of Trainees in 2014
Officer Candidates Training Course	111 officers
Infantry Officers Training Course	80 officers
Communications Officers Training Course	10 officers
Artillery Officers Training Course	18 officers
Military Engineers Main Training Course	8 officers
Military Police Retraining Course	18 officers

Figure 8.6 Junior Officers' School course attendees' statistics

#### 8.4.2. Captain`s Career School

During 2014 various activities have been conducted to optimize program content, adopt unified evaluation system, attract new and retrain current instructors at Captain`s Career School. The School facilities and material-technical equipment was improved. In total 158 students became school graduates.

In 2014 Captain`s Career School offered variety of study courses with number of participants following different specialties (See Figure 8.5):

Course Title	Number of Trainees in 2014
Maneuver captain career course	36 officers
Air-defence captain career course	7 officers
Intelligence captain career course	7 officers
Communications captain career course	10 officers
Personnel captain career course	6 officers
Engineering captain career course	4 officers
Logistics captain career course	12 officers

Figure 8.7: Captain`s Career School course attendees statistics

#### 8.4.3. Aviation and Air Defence Basic Training School

19 aviation and 30 air-defense junior specialists graduated the Aviation and Air Defense Officer Basic School In 2014. Teaching of next group of air-defense and aviation junior specialists is scheduled.

#### 8.4.4. Command and General Staff School

In 2014 Command and General Staff School instructors conducted staff command exercises for the GS officers of the armed forces. The school instructors participated in wide-scale military exercises "Viking 2014" and "Didgori 2014". Command and General Staff School organized a two-day scientific conference "Georgia and the Outside World" and also joint conference "Georgia and Regional Security Issues" with the Black Sea University and Ivane Javakhishvili Tbilisi State University. The School also published a book titled "Russo-Georgian Military-Political Relations and Military Clashes in Abkhazia and Black Sea Coast Region (1918-1920)".

The School took responsibility to conduct large part of Staff Command Course lectures for the West Operational Command Headquarters Staff scheduled in 2015. The School instructors, according to own specialties, are also involved in the relevant GS working groups responsible for development of various doctrinal manuals.

Throughout the year lectures on military art history were held in various military sub-units. This practice shall be continued in 2015 as well. In total 32 military personnel were admitted to the

Command and General Staff School Program in September 2014. The training program will end on May 25, 2015.

#### **8.4.5. Language Training School**

The Language Training School of the NDA offers its students to master a variety of foreign languages. In 2014 students took English, German, French, Turkish, Persian and Russian language courses. 420 students took intensive and 26 - semi intensive foreign language courses. The overall number of students was 446. Twice a year on a rotation basis the US sends English language specialists to the NDA Language Training School to help develop English language study programs. The US partners provide Language Training School with necessary educational materials, textbooks. They also help school specialists to undergo relevant trainings in United States.

#### **8.4.6. National Defence Academy Library**

In 2014, a Library Fund of the National Defence Academy Library (Academy Library) received more than 1000 documents presented by the MoD, purchased or donated by donors. The library staff took a five-day capacity building training led by a British library expert Ms. Rachel Brown, deputy director of the "Prince Consort`s Library". Additional two-day training was carried out by library partner organization experts from "Innovative Systems Management". The library renewed "Georgian Library Association" annual membership agreement, which allows access to the "EBSCO Publishing" library database and purchased access to another valuable information database - "The Armed Conflict Database". The loan agreement on having access to the funds of the National Library of the Parliament of Georgia was also renewed.

The Academy works closely with foreign military educational institutions. In 2014, the Academy signed a Memorandum of Understanding with the Lithuanian Military Academy, and developed cooperation action plan. The NDA signed the memorandum of cooperation with the United Kingdom of Great Britain as well which provides an active support to the Academy Library. In 2014 with the help of the British partners the Academy Library received up to 300 books and 50 periodicals.

The Academy Library continues a fruitful cooperation with US through the Office of Defence Cooperation (ODC). The US advisors provide assistance within the scope of various important directions. With the help of General Dynamics Information Technologies advisory group the Academy Library continues to develop bachelor educational programs, reviews curriculum and syllabus and gets access to relevant study materials. The Cubic Advisory Team renders assistance to the MoD and the GAF. The advisers focus on the development of strategic and defence planning, professional military education, training and doctrine, human resources, logistics, and resource management. In 2014 they were assisted the NDA in developing and instructing the Command and General Staff Course study modules.

The curriculum of a Maneuver Captain Career Course taught at NDA Captain`s Career School has been renewed with assistance of Fort Benning Maneuver Center representatives. In future the course shall be conducted in English language involving international students.

In 2014, together with US partners the Academy continued developing wounded warrior assistance program focusing on the social integration of the wounded soldiers. For this purpose the Academy offers

the wounded warriors computer science and English language classes, as well as - psychological assistance.

#### **8.4.7. Centre for Professional Development**

The NDA Professional Development Centre (PDC) supports professional development of military and civil personnel employed in the Academy, MoD, GAF and LEPLs of the defense system. The Centre studies and analyzes current needs, plans and carries out professional development programs (counseling, training, seminars, etc.) and evaluates their effectiveness. The PDC activities are supervised by Supervisory Council created in 2013. The Council is composed of the Deputy Defence Minister, Academy Rector, Head of the MoD Human Resource Management and Professional Development Department, as well as other Ministry representatives.

The Centre for Professional Development cooperates with the NATO-Georgia Professional Development Program (PDP) on a daily basis. This Program is focused on raising the competence of staff in Georgia's Defence and security sector. At the same time, it works towards enhancing the Centre's capabilities. After the Centre brings its own capabilities to the final stage, it will be fully in charge of delivering the PDP function to serve Georgia's Defence and security sector.

As prescribed by the Action Plan, the PDC moved to a new development stage in 2014. It managed to carry out majority of its activities independently from the PDP. The PDC elaborated new professional development courses to support the MoD priority development directions:

- Building integrity and corruption risks reduction course;
- Gender equality seminar;
- Human resource management and organizational development training;
- Cyber and information security course;
- Effective communication course.

Work is still underway to fully implement a distance learning system (ADL). The PDC is a member of the distance learning working group of the NATO PFP-C. The PDC, with assistance provided by NATO and partner country experts, plans to integrate distance learning components in Staff Command and General Course format.

It is worth noting that the PDC actively cooperates with other governmental institutions as well as local and foreign, partner states' training centers and expert groups.

In 2014, the number of participants participated in trainings organized by the PDC was doubled - a total of 453 individuals were trained.

Currently, together with NATO experts, the work is in progress to establish Defence Institution Building School on the basis of the PDC.

#### **8.4.8. Participation in International Cooperation Programs**

Cooperation of the NDA with the NATO Defence Education Enhancement Program (DEEP) remains active. In 2014, several important activities were conducted as defined in DEEP-NDA cooperation

Action Plan. Namely, the NDA staff and military instructors were retrained. Additionally, the DEEP trainer group conducted several training sessions related to the student assessment, curriculum design and introduction of active teaching methods issues:

- Students` assessment and evaluation workshop;
- Best practices workshop;
- Academy study curriculum development seminar;
- Leadership seminar for the Academy management;
- Educators` Workshop – "How to teach".

The NDA also cooperates with the NATO "Partnership for Peace Consortium (PFP-C). Georgia became a member of the Supreme Advisors Board of the Consortium on a rotational basis (for a period of 2012-2014).

In 2014 with the help of Slovak non-governmental organization the "Center for European and North-Atlantic Affairs" the Academy was donated 100 textbooks related to the security studies. The textbooks are used by the NDA's students and teachers.



## 9. Social and Health Care

Social and medical support of the GAF military personnel and MoD Civil Office Staff implies creation of honorably working conditions and appropriate appraisal for their efforts. Special emphasis is directed towards wounded warriors and families of militaries deceased in combat operations. The Government of Georgia increased financial support of rehabilitation and reintegration programs for the wounded warriors and families of deceased military personnel.

### 9.1. Financial Support

The Commission reviewing social, medical and financial assistance correspondence was established in the Ministry under Minister's order. The Commission takes decisions to ensure financial provision of surgeries which are not covered by the insurance companies and referral programs of the Ministry of Labor, Health and Social Affairs of Georgia.

During 2014 the Commission financially backed rehabilitation and prosthetics process of military personnel wounded defending territorial integrity of the State. Assistance was also provided to active and retired military personnel and their families. In particular, throughout the fiscal year 394 persons (306 military personnel, 77 civil and 10 military forces war veterans) received relevant financial support in accordance to the 41 reports prepared by the commission. The total amount of single material assistance was GEL 1 957 110.00 which included GEL 1 673 072.99 provided in accordance to the decision of the commission.

Under the special assistance program the MoD fully covers rehabilitation course expenses for children of military and civil personnel diagnosed with the cerebral paralysis and autism. In 2014 financial assistance for autism and cerebral paralysis amounted GEL 5 668 and GEL 29 840 respectively.

### 9.2. Living Conditions

Throughout 2013-2014 years apartments were provided up to 900 Military personnel, including families of wounded and deceased. Activities aimed to improve living conditions of soldiers will continue in accordance to the Infrastructure and Development plan. For example:

- Construction works in two flats for persons with disabilities, Tbilisi, Abashishvili Street;
- Construction works of 4th, 5th, 6th houses belonging to military personnel, 3<sup>rd</sup> kilometer of Tskhinvali highway, Gori';
- Repair and reconstruction works for military personnel adaptation, Tbilisi, Abashishvili Street №3 and №5.

### 9.3. Nutrition of Military Personnel

In order to improve nutrition conditions of the military personnel, the Nutrition Project Management Working Group was established at the MoD. The group developed document "Rational and Safe Food Hygiene and Sanitary Regulations of the Armed Forces" that was in compliance with NATO standards. In addition, in order to improve management and nutritional services, food manager manual and training program for nutrition sergeants was elaborated. The staff employed in nutrition facilities took

special training sessions in accordance to the “Five Key Principles for Safe Products” program provided by the World Health Organization.

In order to ensure proper water supply system for safe nutrition service, the credibility of water supply systems of the MoD military facilities was evaluated and the rehabilitation project tasks developed for further procurement and implementation of construction works.

#### **9.4. Rehabilitation of Wounded Warriors**

During the reporting period, 6 soldiers were sent to the US for the rehabilitation and prosthetics course, gradually they will be replaced by following flow of patients. Militaries with amputated limbs will be provided latest prosthesis made in Germany.

The Rehabilitation Centre was opened for the family members of military personnel and warriors wounded in combat and peacekeeping operations. The Rehabilitation Centre is situated in the former residence of the President, Tserovani, which was handed to the Ministry of Defence in 2013. Military personnel and their family members are under constant surveillance of separate medical battalion medical personnel. They are also consulted by psychologists and psychiatrists if needed.

According to the Governmental decree №451 issued on March 18, 2014 the MoD received amount of USD 1 819 448.80 from Government Reserve Fund to ensure financial provision necessary to purchase prosthesis and medical treatment (provider - “Peter Harsch Prosthetics”) for military personnel wounded while defending territorial integrity of the country and in international peacekeeping missions.

The refurbishment and upgrade of Tbilisi Rehabilitation Centre with modern equipment is planned resulted from fruitful collaboration with the Office of Defence Cooperation (ODC). In 2014 a multi-profile Inter Disciplinary Amputee Rehabilitation Team was established uniting different doctors from Gori Hospital, Medical Department and Rehabilitation Centre.

Until the 2014 psychological selection and testing model of military personnel was out of date and was not compliant with the modern standards. According to the Governmental Decree №588 on October 9, 2014 the Psychological Selection and Monitoring Department was established at the General Staff of the Georgian Armed Forces. One of the main duties of the department is to provide to wounded warriors and their family members with relevant psychological rehabilitation and treatment. Up to date about 80 military personnel and their family members received rehabilitation treatment. The enactment of relevant rehabilitation program for the military personnel arriving from peacekeeping missions holding the combat stress is scheduled.

#### **9.5. Healthcare**

The MoD strives to provide good Health care for the GAF military personnel and civil servants. In order to fulfill this duty, the Giorgi Abramishvili Hospital (the Hospital) of the Ministry of Defence carries out medical rehabilitation, medical examination and other medical services and participates in governmental health programs. The Hospital organizes military-doctoral commission activities and provides basic medical assistance.

During 2014 the Hospital assessed the effectiveness of medical aid provided to the patients in order to improve quality and effectiveness of medical treatment. Moreover, hospital provided relevant medical assistance to military personnel, their family members, pensioners and deceased military family members.

At this moment, the work is in progress to equip the Hospital with modern equipment (MRI, angiograph, digital roentgen, computer tomography etc). From 1<sup>st</sup> of March, 2014 the MoD adopted a new improved insurance package for all military personnel and Civil Office servants, despite their ranks and positions.

## 10. Financial Activities

During the reporting period a draft of program-based budget for 2015 was elaborated. The following MoD programs were verified: Maintaining and Improving GAF Readiness; Developing Military Education; Ensuring Health and Social Care of the MoD personnel; Supporting Scientific Research in the Sphere of Defence; Ensuring Cyber Security.

The Government Reserve Fund granted the MoD amount of GEL 2 990 769 for prosthetics of military personnel badly wounded in international missions, which was transferred to the account of US medical clinic “Peter Harsch Prosthetics”.

Under the process of transition from pay-by-position to pay-by-rank system, on September 17, 2014 the Minister of Defence issued an order №1293 on “Determination of the maximum rates on supplementary sum of money necessary to fill the salary gap of the personnel of the Ministry of Defence and legal entities of public law related to the Pay-by-Rank transitional period”. As a result some officers were awarded subsequent military ranks resulting in respectful wage increase, whereas private soldiers and corporal-sergeants received surplus for the salaries.

In accordance to the demand of the Ministry of Finance, activities were made regarding personnel appointment and relevant data upload in the payroll module of the Treasury Electronic Service. 29 000 units of data were uploaded. The payroll provision of the Ministry is carried out by the Treasury Electronic Payroll Software Program.

During 2014 the MoD carried out activities related to the financial provision of troops participating in the International Security Assistance Force in Afghanistan (ISAF) and EU operation in Central African Republic (EUFOR RCA). Under Defense Minister`s order №41, September 26, 2007, the Georgian army personnel engaged in EUFOR RCA were granted same reimbursement norms as soldiers taking part in the ISAF mission. In addition, new improved health care and insurance system was enacted starting from March 2014. All armed forces and civil employees, regardless their position or rank enjoy same insurance package.

Activities were taken related to provision of military and civilian personnel with relevant salary programs and plastic cards in accordance with agreements signed with banking institutions. At the same time steps have been taken to start work on implementation of improved salary program.

Moreover, current and former MoD employees, as well as their family members received relevant assistance based on decisions of Commission on Social, Health-care and Financial Aid Issues established by the order of the Minister of Defense. Additionally, provision of important infrastructure projects, construction and repair works was carried out.

It's also noteworthy that financial audit for 2004-2012 years and documentary examination by the State Audit Office is underway. The process started in 2012.

In the close future, adoption of the managerial reporting system is planned. This system will reflect a detailed organizational-financial situation within the MoD with greater accuracy and substantially enhances information reliability. Precise accounting is vitally important for planning, since the availability of accurate historical data concerning expenditures for combat or combat support requirements, infrastructure or other expenses, enhances the capability to make rational, informed decisions for longer term planning periods.

Below is the defense budget for 2014 represented in national currency (See Figure 10.1).

Total MoD	2014	I quarter	II quarter	III quarter	IV quarter
Categories	626 483 722	147 983 479	147 702 812	154 880 971	175 916 459
Personnel Pay and Allowance	393 687 175	96 450 180	96 055 413	96 508 094	104 673 488
Goods and Services	183 701 456	43 198 921	45 359 773	46 763 050	48 379 712
Subsidies	0	0	0	0	0
Grants	21 932	9 120	0	2976	9 836
Social Security	9 459 052	1 388 988	1 473 669	3 784 327	2 812 068
Other Expenses	10 343 593	1 499 029	1 909 814	1 777 503	5 157 247
Growth of Non-financial Assets	28 735 620	4 902 482	2 904 143	6 045 020	14 883 975
Decrease of Liability	534 891	534 759	0	0	132

Figure 10.1: 2014 Defence Budget (GEL)

The Mod personnel employed in financial sphere took special training course “Accounting of budgetary organizations” held at the Academy of the Ministry of Finance accounting aimed at improving their qualification skills.

Under provision of information accessibility private and legal entities were provided information on financial issues in accordance to current legislation. In addition, Ministry's official website was updated to reflect proactive measures, including both the budget parameters, as well as expenditures.

Below is the picture of the gross domestic product and the defense budget (See Figure 10.2).

Year	2004	2005	2006	2007	2008	2009	2010
Gross Domestic Product (Million GEL)	9824	11621	13790	16994	17075	17986	20743

Defence Budget (Million GEL)	172	367	684	1495	1547	869	728
Defence Budget Percentage from the Gross Domestic Product	1,8%	3,2%	5,0%	8,8%	9,1%	4,8%	3,5%

Year	2011	2012	2013	2014	2015	2016	2017
Gross Domestic Product (Million GEL)	24344	26167	26824	29176.4	31860.6	34957.4	38355.3
Defence Budget (Million GEL)	728	734	661	626	640	663.8	705.8
Defence Budget Percentage from the Gross Domestic Product	3,0%	2,8%	2,5%	2,1%	2,0%	2,0%	1,9%

Figure 10.2: Nominal GDP and Defence Budget (GEL)

## 11. Institutional Changes

The Ministry continues to pursue consecutive institutional changes to improve effectiveness of the defense system. This includes introduction of innovations as well as appraisal of existing mechanisms and their review if necessary.

### 11.1. Legislation

The MoD is actively involved in a defence legislation review process. Relevant laws are annually reviewed and amended to better regulate the sphere of defence. The following draft laws aimed to facilitate ongoing reforms and Ministry activities were elaborated in 2014 (See Figure 11.1):

No	Name of the Draft Law	Status
1	On Making the Amendment to the Law of State Property.	Adopted
2	On Making Amendments to the Law of Georgia on Export and Import Control of Armament, Military Equipment and Products of Dual-Use.	Adopted
3	On Making the Amendment to the Law of Georgia on Arms.	Adopted
4	On Making the Amendment to the Law of Georgia on Licenses and Permits.	Adopted
5	On Making the Amendment to the Law of Georgia on Licensing and Permit Fees.	Adopted
6	On Making the Amendment to the Law of Georgia on the Status of the Military Servicemen.	Adopted
7	On Making the Amendment to the Law of Georgia on Military Obligation and Military Service.	Adopted
8	On making the Amendment to the Criminal Code of Georgia.	Adopted
9	On Making the Amendment to the Law of Georgia on the Defence of Georgia.	Undergoes Parliamentary Hearings
10	On making the Amendments to the Law of Georgia on the Structure, Authority and Rules of Operation of the Government of Georgia.	Undergoes Parliamentary Hearings
11	On Making the Amendment to the Law of Georgia on Mobilization.	Undergoes Parliamentary Hearings
12	On Making the Amendment to the Law of Georgia on Combating Terrorism.	Undergoes Parliamentary Hearings
13	On Making the Amendment to the Law of Georgia on State Border of Georgia.	Undergoes Parliamentary Hearings
14	On Making the Amendment to the Law of Georgia on Public Service.	Undergoes Parliamentary Hearings
15	On Making Amendments to the Law of Georgia on Military Police.	Undergoes Parliamentary Hearings
16	On making the Amendment to the Code of Administrative Misconducts of Georgia.	Undergoes Parliamentary Hearings

Figure 11.1: List of Reviewed and Adopted Draft Laws in 2014

### 11.2. Cyber Security

In order to prevent cyber incidents and develop adequate response mechanisms, the decision was made to establish the LEPL Cyber security Bureau of the Ministry of Defence (Bureau).

In 2014, the Bureau developed “Cyber security Policy” document for 2014-2016. The paper represents vision of the Ministry about effective implementation and safe development of cyber policy to adequately respond to information and communication technology challenges. It clarifies the approach and priorities of the defense sector in cyber security field and defines all strategic objectives, implementation of which will ensure reliable, efficient, stable and safe functioning of a defence sphere. The document will be updated periodically considering changes that take place in cyberspace and their consequences. The Bureau also developed “Cyber security Development Action Plan” based on the “Cyber security Policy” document.

During the accounting period, Bureau’s local information network was established and maintenance of its active devices, server hardware and software was conducted needed for its proper functioning. The Computer Incident Response Communications Service Division started operating 24/7. The Bureau also examined and assessed quality as well as the breaching possibilities of information and communication technology security in the Military City №1.

The pilot project of information technology security audit was carried out, leading to drafting a report on weaknesses, perceived threats and the degree of protection of the infrastructure, submitted to the Minister of Defence.

In 2014, the following normative Acts were developed by the Bureau and approved by the Decree of the Minister of Defence: “On approval of the minimal requirements for information security”; “On approval of the status of the Computer Emergency Response Team of the LEPL Cyber Security Bureau”; “On approval of information asset management rules”. As well as Decree “On approval of the rules for configuring network sensors” was developed and approved by the Minister.

The Bureau pays great attention to deepening relations with national and international partner. To this end, with the support of NATO Liaison Office in Georgia and NATO-Georgia Professional Development Program, Professional Development Center of National Defense Academy organized two workshops (Raising cyber awareness; Cyber security – unified responsibility). The aim of the workshops was to support close collaboration between the public and private sectors and to deepen cooperation in the cyber security field.

In order to discuss further cooperation perspectives, activities of the Bureau and cyber security capacity building, the Bureau conducted several meetings with representatives of NGOs and Defence Attaches accredited in Georgia.

In 2014, the Bureau signed agreements on 13 simplified electronic tenders amounted to GEL 150 980.

### 11.3. Defence Material Resource Management

During 2014 the MoD carried out several important activities to ensure further institutionalization of defense resource management system.



The Ministry elaborated and later approved the Defense Planning Guidance, an annual defence planning document that defines program structure for budget year and development activities and programs for next three years, 2015-2018. The document defines capabilities to support the GAF, prioritizes resources and describes guidelines (priorities, personnel and specific financial ceilings) for program managers during program elaboration process.

Within the scope of the process defined by the Country's Basic Data and Directions Document, in 2014 the MoD developed and submitted to the Ministry of Finance its 2014 Defence Budget that encompassed the MoD's eight programs (including the MoD Legal Entities of Public Law):

1. Maintaining and Improving GAF Readiness:
  - Maintaining GAF Readiness;
  - Fulfilling International Obligations;
  - Developing Infrastructure.
2. Developing Military Education;
3. Ensuring Social and Health Care of the MoD personnel;
4. Supporting Scientific Research in the Sphere of Defence;
5. Ensuring Cyber Security.

In 2014 the MoD elaborated first Defence Integrated Program 2015-2018 (a pilot document). The document represented a unity of 2015 defence programs with aim to facilitate elaboration of program based budget for 2015. The document also included GAF development priority directions for 2016-2018. The Defence Integrated Program 2015-2018 also outlines dynamics of previous budgetary years, correlation of defence budget with gross domestic product and future tendencies.

The MoD analyzed experience acquired during elaboration of program-based budget to further improve defense management system. The analysis was conducted with active involvement of US Advisory Group - CUBIC. The specific recommendations were drafted which will be considered while elaborating future defence integrated program and will be reflected in Planning, Programming and Budgeting Handbook.

The Ministry elaborated a draft defence program memorandum as well. The document depicts defense programs and relevant related activities, including: requirements, expected results, risks stemming from financial shortage (or its absence) and possible financial calculations.

The MoD also elaborated a draft version of the Planning, Programming and Budgeting manual. The document defines functions and responsibilities of structural units involved in defence resource management process.

#### **11.4. Internal Audit**

In 2014, the Internal Audit Department was established in the Ministry to support productivity, accountability and transparency of the Defence system. In order to ensure provision of departmental functions, the legislative database was amended, guiding and strategic level planning documents - elaborated. The department independently and objectively carries out assessment of risk management

and control and management systems. It also issues relevant recommendations that help the MoD to achieve its goals. The creation of Internal Audit Department and its effective functioning serves another important purpose. It ensures provision of one of the EU Associated Agreement obligations – Provision of Inner Financial Control.

### 11.5. General Inspection

The General Inspection of the MoD is responsible for performing internal monitoring of the Defence system. Its main functions are to prevent, respond and investigate alleged violations of the law and within own competence ensure provision of the law. A General Inspection Hot Line was activated from 30 May, 2013 and is available 24 hours daily. Special Hot Line boxes are at all military units enabling military personnel to provide the General Inspection with complaints and opinions on the issues within their area of competence.

### 11.6. Information Technologies

In 2014 the Ministry elaborated the document on Informational Technologies Policy, unifying following important issues:

- The policy of communication technologies of the MoD structural units, legal entities of public law and the armed forces;
- Operating guidelines for computer hardware and service;
- Operating guideline for computer network;
- The guideline for service of communication systems and hardware by civil servants, interns and invited individuals at the Ministry;
- The service guideline of infrastructure of informational communication technologies;
- The guideline about the access service of username, password and network resources in computer network
- The guidelines about using computer network user name, password and access to network resources;
- The guidelines on technological provision of information-communication technology systems and their hardware.

In order to improve information technology capacity, the pilot versions of the psychological evaluation and monitoring electronic program and e-dictionary were designed and adopted. Moreover, the descriptions of all types of stockpiled goods were consolidated and terminology properly translated into Georgian Language. Each type of stockpiled goods was accordingly classified and enlisted into electronic format.

### 11.7. Interagency Cooperation

The MoD actively cooperates with the relevant governmental agencies to resolve defence and security challenges, problems and other important issues. Throughout 2014 the MoD through its representatives was involved in the following interagency working groups:

- **The Permanent Interagency Working Group to coordinate elaboration of conceptual documents concerning national security** – The MoD is the member of the permanent interagency

commission on elaboration of national security conceptual documents under the auspices of the State Security and Crisis Management Council. Within the framework of the commission a working group on elaboration of conceptual documents was established. It was responsible for revision of country`s Threat Assessment Document.

- **The Interagency Working Group on elaboration of the State Border Management Strategy** – According to the №49 Resolution of the Government of Georgia adopted on January 14, 2014 the MoD became a member of Interagency Council on Elaboration of the State Border Managing Strategy supervised by the State Security and Crisis Management Council. As a result the “State Border Management Strategy” and its action plan were elaborated within a working group format.
- **The Interagency Format for elaboration of the “National Anti-Corruption Strategy of Georgia” and “Anti-Corruption Action Plan for 2015-2016** – The MoD is actively involved in mentioned interagency cooperation process where the prevention of corruption in the Defence Sector is identified as 12<sup>th</sup> priority among other main concerns. In 2014 the MoD elaborated relevant sub-priorities to support above mentioned 12<sup>th</sup> priority.
- **The Interagency Coordination Council on Chemical, Biological, Radiological and Nuclear Threats** – The Commission supervised elaboration of the “National Strategy on Reduction of CBRN Threats 2014-2016” and its supporting “Action Plan 2014-2016” project.
- **The Interagency Format for organization of CSCM World Congress on CBRNe Science & Consequence Management** – In 2014 Georgia hosted the World Congress on CBRNe Science & Consequence Management, supervised by the Ministry of Internal Affairs. As a co-host of the event, the MoD was involved all issues related to organization and preparation.

## 12. International Cooperation

The MoD actively cooperates with partner countries, NATO, EU and other international organizations in defence and security fields. Georgia makes significant contribution in provision global security, which will continue in future through participation in NATO and EU led international peacekeeping missions.

### 12.1. Cooperation with NATO

Acquiring NATO membership is the main priority of Georgia`s foreign and security policy. The MoD continues successful implementation of goals defined by NATO-Georgia cooperation mechanisms in order to increase interoperability between GAF and NATO and foster integration process. In 2014, Georgia made significant progress towards the NATO integration process.

**NATO military committee visit** - General Knud Bartels, Chairman of the NATO Military Committee conducted first ever visit to Georgia on 11-12 February 2014. In the scope of visit, military committee held the meeting in format 28+1 about Georgia`s Security and Defence transformation and country`s role in global security provision as well as - future of NATO-Georgia cooperation. The Chairman of the NATO Military Committee held bilateral meetings with the President of Georgia, Prime Minister, Minister of Defence and chief of the General Staff. Remarkably, alliance high officials emphasized progressively on defence reforms and underlined country`s significant contribution in EU-Atlantic security provision.

**NATO-Georgia Substantial Package** – Based on NATO Wales`s Summit decisions (4-5 September, 2014) Georgia gained Substantial NATO-Georgia Package. The Package implies a new level of cooperation and aims to develop defence capabilities, strengthen security and enhance NATO interoperability. Georgia joined new NATO initiative - Partnership Interoperability Initiative and was recognized as the top NATO interoperable country next to Sweden, Finland, Australia and Jordan. In addition, Georgia received invitation to join the Enhanced Opportunities Partners group.

Within the framework of the package, Georgia will have an opportunity to get involved at NATO operations and exercise planning process at an early stage, actively participate in NATO exercises, contribute to Alliance`s strategic discussions and in case of necessity, receive information that was not available for Georgia before.

Substantial Package includes establishment of Joint Training and Evaluation Center and Defense Institution Building School, as well as development of GAF logistical capabilities to support NATO Connected Force Initiative. Moreover, it also envisages supporting GAF reforms in such important directions as - military police, cyber security, special operation forces and etc.

Timely and effective implementation of the package is one of the main priorities of the Ministry of Defense.

Coordination and monitoring of the implementation of the Substantial Package initiatives will be carried out by NATO Core Team, composed of NATO experts, while Alliance's member state advisors will assist Georgian side in the implementation of each of the initiatives.

After the Wales Summit, active consultations were initiated with NATO HQ international and military service representatives and member states in order to fulfill the tasks envisaged in the Package. The MoD developed the Package Implementation Concept, identified NATO group member qualification requirements and concrete projects for fulfillment of directions defined by the Package. The mentioned documents will be submitted to the member countries of the Alliance. Also, Georgian coordinators and the leaders of each project were identified.

#### 12.1.1. NATO-Georgia Cooperation Mechanisms

In 2014, Georgia has been successfully cooperating with the Alliance within all existing working mechanisms:

- **NATO-Georgia Commission (NGC)** – In 2014, four NATO-Georgia Commission meetings were held to discuss various important aspects related to a sphere of defence.
- **Annual National Program (ANP) Defence Part** – At the end of January 2014, Office of the State Minister of Georgia on European & Euro-Atlantic Integration, organized ANP workshop, where representatives of NATO structures and member states were presented the ANP annual obligations for 2014. The draft of the document was also discussed with alliance member states at the NATO Headquarters. In February, after considering the recommendations, the ANP was approved at national level. In August, a report on progress of activities given in the ANP (defence part), was sent to NATO Headquarters. Later NATO's assessment team visited MoD in order to discuss progress evaluation report. The MoD activities were highly praised by the Alliance.
- **Planning and Review Process (PARP)** – The NATO assessment team reviewed 2014-2016 partnership goals under the PARP framework during the visit in the spring 2014. The new areas of cooperation with NATO were identified as well, in accordance with the defence priorities and recommendations of the Strategic Defence Review. In July 2014, the PARP progress report was filled and in August submitted to the Alliance. In autumn, 2014 NATO assessment team visited the MoD to discuss progress made by Georgian side.
- **NATO Military Committee + Georgia Work Plan (MC+GEO Work Plan)** – The mentioned cooperation mechanism defines key objectives and priorities of NATO-Georgia cooperation in the defence sphere. In 2014 NATO international military service representatives and Georgian side discussed draft of the NATO Military Committee + Georgia Work Plan for 2014-2016.
- **Individual Partnership and Cooperation Program (IPCP)** –The key objective of the program is to support professional development of military and civilian personnel and support provision of taken obligations. IPCP involves participation of military and civilian personnel in various short-term courses, training, conferences, studies, exercises, working meetings and seminars which promote fulfillment of partnership goals and the ANP. In 2014, the MoD participated in 167 IPCP activities.

- **NATO-Georgia Professional Development Program (PDP)** – The PDP provides capacity building of the Centre for Professional Development of the National Defence Academy. Under the framework of the Program, different courses, trainings and conferences in cyber security, defence management, building integrity, corruption, strategic communications, financial management and internal audit issues were conducted for defence and security field representatives in 2014. On May 13-17, Command and General Staff Course was held for private and public sector representatives.
- **NATO Defence Education Enhancement Program (DEEP)** – The DEEP actively cooperates with National Defence Academy. The mentioned cooperation was intensified after 2013, when cooperation Action Plan with concrete measures and implementation deadlines was elaborated and adopted. The DEEP provides assistance to NDA in the following fields: training of academic personnel and military instructors; implementation of active training methodologies; curriculum development; student assessment; implementation of distance learning methodology in the Academy. According to the decision made by the DEEP trainer team, two employees of the Academy were selected as the members of international training team and participate in the local/multinational workshops.
- **NATO Smart Defence Initiative** – The MoD participates in several international projects planned within NATO’s Smart Defence Initiative. Active consultations were held with partner countries in order to clarify aspects of Georgia’s participation in these projects.
- **NATO "Partnership for Peace" Trust Fund** – In March 2014, in the framework of the NATO Trust Fund, Georgian side and NATO Support and Procurement Organization (NSPO) signed agreement on the implementation of the project “Georgia IV.” On October 31, 2014, official opening ceremony of the “Georgia IV” was held. The project is being successfully implemented. It implies cleaning of former military storage located in Skra and military training of the GAF Explosive Ordnance Disposal (EOD) Company according to international standards.

#### 12.1.2. Participation in NATO Operations

Georgia continues making own contribution in strengthening international security. More than 12000 military personnel participated in the ISAF mission since 2009. Georgia also continues its contribution to Resolute Support Mission. Georgian contingent will stay in Afghanistan till 2016.

In order to enhance compatibility with the NATO, Georgia participates in NATO Connected Forces Initiative. In 2015 one infantry company will participate in NATO Quick Reaction Forces. In the summer of 2014, the mentioned company successfully completed NATO assessment and certification process.

#### 12.1.3. Exchanging Classified Information with NATO and its Security

In order to enhance NATO classified information security system the Government of Georgia approved two important resolutions initiated by the MoD:

- Government Decree №274 on the “Approval of the Regulation on the Authorities Responsible for Provision of NATO Classified Information Security in Georgia and the Rule determining their

Activities” that identifies following responsible authorities: NSA - National Security Authority (responsible for NATO classified information security), NCSA - National Communication Security Authority (responsible for securing NATO classified information by communication and information means), NDA - National Distribution Authority (responsible for the distribution of NATO cryptographic materials), SAA - Security Accreditation Authority (security accreditation authority), Central Registry (Sub-Registries), as well as bodies involved in the unified coordinated system, their duties, rules for establishment sub-registers and security requirements.

- Government Decree №274 on the “Approval of the Regulation on the Issuing Permission to work with North Atlantic Treaty Organization (NATO) Classified Information” that identifies the rule on nominating a candidate for access to NATO classified information, candidate review and evaluation criteria, as well as procedures that renew, suspend, terminate or grant permission to work with NATO classified information.

NATO classified information security department set up an electronic database, which contains detailed information on the persons allowed to the NATO classified information and the information on the data access certification, suspension, revocation or extension of the term.

The MoD also developed projects on provision of NATO classified information and physical security that are in line with NATO security policy directives and legal acts of the member states. The projects will be submitted to the Government for approval.

In addition, the process of elaboration of sub-registries is in progress. With the establishment of sub-registries of the National Defence Academy and Cyber Security Bureau LEPLs, the number of sub-registers state-wide increased to 19. Due to the changes that took place in different agencies, divisions and structural units, relevant position nomenclatures were updated.

Representatives of the NATO Office of Security visited Georgia in July 2014. During the visit delegates inspected central register and sub-registries and assessed execution of obligations prescribed in Chapter IV: “Security Issues” of the Annual National Program (ANP) in order to ensure security of NATO classified information.

Briefings and presentations for entities given permission to work with NATO classified information is in progress.

One of the major challenges identified is implementation of norms and standards of communication and information technology, lack of proper infrastructure. Another challenge is harmonization of the legislative framework with the best practice and experience of NATO member countries.

## **12.2. Cooperation with EU and other International Organizations**

Ministry of Defence enjoys fruitful cooperation with partner countries, NATO, the EU and other international organizations in defense and security matters. In this regard, the Ministry of Defence was actively involved in variety of activities during 2014.

### 12.2.1. Cooperation with EU

The EU-Georgia Association Agreement was signed and ratified by the Parliament of Georgia in July, 2014 has been "on the one hand, and on the other hand, the European Union and the European Atomic Energy Community and their Member States of the Association Agreement (including the "Deep and Comprehensive Free Trade Area Agreement with EU"). On the basis of the agreement an "Association Agenda" was elaborated defining measures to be implemented by the government of Georgia in the short-term period, including activities of the MoD for 2015 year. Also, under the framework of the EU Neighborhood Policy the Ministry prepared a report on its commitments for 2014, which was submitted to the secretariat of the State Minister of Georgia on European and Euro-Atlantic Integration.

In 2014 the EU-Georgia Cooperation Work Plan was elaborated within the European Union's Common Security and Defence Policy (CSDP). It is being implemented successfully. Currently an active collaboration between the Ministry of Defence and the European External Action Service (EEAS) is underway. In this regard it's noteworthy underline the importance of first official visit of the Chairman of the European Union Military Committee, General Patrick de Rousiers to Georgia.

Started from October 2014, an active work is underway regarding agreement on exchange of classified information with the EU, planned to be signed in 2015. The ratification of this document will further strengthen EU-Georgian partnership.

### 12.2.2. Participation in CSDP Crisis Management Operations

Georgia shall contribute to the EU-led peacekeeping missions based on a framework agreement allowing Georgia to participate in crisis management operations signed between Georgia and EU on November 29, 2013 at the "Eastern Partnership" summit in Vilnius, Lithuania.

Georgian peacekeeping company participated in EU led mission in Central African Republic (CAR) from 2014 June to 31 December. Due to existing security environment in CAR and upon EU request the Government of Georgia took political decision about the continuation of peacekeeping mission. On December 9, 2014 Georgia sent two Georgian platoons to CAR tasked to carry out their duties till the end of the mission in March 15, 2015. In future Georgia plans to continue participation in EU new military-advisory mission in CAR by sending five military advisors. In 2015 Georgia also plans to send an officer in EU led training mission to Mali (EUTM Mali).

### 12.2.3. Cooperation with other International Organizations

Georgia successfully cooperates with the Organization for Security and Military Co-operation in Europe (OSCE). Under the decision of the OSCE Security and Cooperation forum, every year the MoD prepares annual military exchange information for the OSCE which is being sent to the Ministry of Foreign Affairs of Georgia for further processing. A Memorandum of Understanding signed between Georgia and OSCE (on the "Small Arms and Light Weapons (SALW) and a Stockpile of Conventional Ammunition (SCA) Program") is another example of cooperation with OSCE. The program shall last for 5 years and it envisages following:

- Implementation of projects on disposal of surplus SALW and Stockpiled Conventional Ammunition;



- Surplus SCA and SALW disposal projects, including local capacity building for future surplus SALW and SCA disposal;
- Improvement of Georgian national legislation and procedures on SALW and SCA;
- Improvement of SALW and SCA stockpile security and management in Georgia.

The MoD also prepares relevant annual exchange information requested by United Nations and sends it to the Ministry of Foreign Affairs for further processing. In May 2014, a Memorandum of Understanding has been concluded between the MoD and International Committee of Red Cross (ICRC) on the “Cooperation in the sphere of Dissemination and Integration of the Knowledge on International Humanitarian Law”. The signing of memorandum entails elaboration of relevant action plan for 2015.

### 12.3. Bilateral Relations

The MoD actively cooperates with partner countries and promotes bilateral relations with new partners to strengthen Georgian defence potential and achieve foreign security priorities.

Meetings and visits are regularly held by the Minister of Defence of Georgia and deputy ministers in order to deepen bilateral relations with NATO member and partner countries. Defence sector related issues are discussed during these visits. Up to 60 high official meetings were held with representatives of different countries in 2014.

Until 2014 the MoD cooperated with 19 countries in bilateral cooperation format. The memorandums on bilateral cooperation were signed with Afghanistan, Slovakia and Moldova in 2014. In addition, bilateral cooperation agreements were signed with Hungary and Moldova. Currently, the MoD cooperates in bilateral format with 22 countries (Bulgaria, Czech Republic, Denmark, Estonia, France, Germany, Greece, Hungary, Italy, Latvia, Lithuania, Moldova, Norway, Poland, Republic of Armenia, Republic of Azerbaijan, Republic of Turkey, Romania, Sweden, Ukraine, United Kingdom and United States of America).

Bilateral cooperation with partner countries encompasses following important directions:

- Professional military education and exercises;
- Strategic planning;
- Personnel management;
- Radiological, nuclear, chemical and biological defence;
- Military medicine;
- Logistics;
- Reserve and mobilization;
- Special Operations Forces;
- Humanitarian landmines clearing;
- Medical treatment and psychological assistance for wounded military personnel;
- Military-civil cooperation.

In 2014 a trilateral military cooperation was launched between Turkey and Azerbaijan and Georgian initiated by later. The first defence ministerial in trilateral format was held on August in 2014.

Furthermore, in 2014 the MoD took steps and preparations to start bilateral cooperation with Albania, Netherlands and Spain in close future.

**United States of America** – Georgia's cooperation with its strategic ally is especially noteworthy. Within the scope of the Strategic Partnership Charter signed between Georgia and the USA, cooperation between these two countries in the Defence sphere is actively developing.

Enhanced cooperation in the Defence sphere is one of the most significant components of strategic partnership. The main aim is to enhance Georgia's Defence capability and interoperability with NATO. In 2014 two new cooperation directions were added to existing six: special operation forces and military intelligence.

In 2014, Georgian Defence Minister visited United States and the US Defence Secretary visited Georgia as well. The counterparts agreed on new directions of cooperation to enhance Georgia's defence capabilities and support its integration in NATO.

Within the framework of US-Georgia cooperation, US expert teams visited Georgia and conducted trainings in different fields and participated in joint military exercises.

As a result of US President Barack Obama's approval of European Reassurance Initiative, volume of financial aid in the framework of the US foreign military financing program was increased. Increased financial assistance will be used to enhance GAF professional military education and develop defence capabilities.

US advisors provide assistance within the scope of various important directions. The Cubic Advisory Team renders assistance to the MoD and the GAF. The advisers focus on the development of strategic and defence planning, professional military education, training and doctrine, human resources, logistics, and resource management. In addition, they assist the NDA and the Krtsanisi National Training Centre.

The General Dynamics Information Technologies advisory group has a fruitful cooperation with the NDA. The members of the advisory group are engaged in 4-year bachelor programs and generally - in refining the academy educational process.

US Defence Institution Building (DIB) Team conducts regular trainings and seminars for MoD personnel to enhance long term acquisition management and system.

Assistance and support in developing wounded warrior rehabilitation capabilities is as one of the priority directions of US cooperation. The modernization and equipment, as well as medical-staff training of the Centre for Prosthetics and Rehabilitation, is funded by the US. The completion of the project is envisaged at the end of 2016.

U.S. Marine Corps forces conduct pre-deployment trainings for Georgian armed forces for the NATO-led operations in Afghanistan.

In addition, it should be mentioned that US side assists GAF infantry company preparation for participation in the NATO Response Force.

#### 12.4. Representing MoD Internationally

Defence Attachés, Ministry Representatives and liaison officers are representing the MoD and GAF in their respective countries of accreditation. Defence Attachés and ministry representatives are enlisted to diplomatic missions and are working on defence issues within own competence. Currently the coverage area of Georgian Defence Attachés reaches 37 countries and 4 international organizations (NATO, EU, UN and OSCE).

In 2014, MoD developed final draft of “Handbook” for Defence Attachés and Ministry Representatives defining their activities in detail. Additionally, in order to increase effectiveness of the performance of Defence Attachés and Ministry Representatives` offices, to optimize their structure following major activities were conducted during the year:

- Elaboration of a special training course for Defence Attachés and Ministry Representatives and their staff;
- Development of a new Defence Attaché and Ministry Representative rotation system;
- Initiating amendments to the Georgian Law on Diplomatic Service (rotation system);
- Elaboration of rules on information-analytical activities for Defence Attachés and Ministry Representatives;
- Provision of Defence Attachés and Ministry Representatives` offices with a secure means of communication;
- Renewal of Statute regulating general activities of Defence Attachés;
- Development of the strategy which shall determine selection procedures and comprehensive long-term preparation of Defence Attachés and Ministry Representatives.

#### 12.5. International Treaties and Agreements

The following important agreements were signed in 2014:

- Agreement between Georgia and the Ministry of Defence of the Republic of Slovakia on “Cooperation in the Field of Defence”;
- Agreement between Georgia and the European Union on “Establishment of the Structure for Georgia’s participation in the EU led Crisis Management Operations”;
- Agreement on “Armaments Trade”;
- Agreement between the Government of Georgia and the Government of the Kingdom of Sweden on “Exchange and Mutual Protection of Classified Information”;
- Agreement signed through letter exchange procedure on Georgia’s participation in NATO Resolute Support Mission.

## 13. Lessons Learned

The MoD continues perfection of defence system taking into consideration current security environment and country's foreign political interests. Therefore, gradual development of defence capabilities, implemented and ongoing reforms first of all adds value to the improvement of defence level and aids NATO integration process. Development of the GAF is carried out in accordance with existing budgetary resources. Within this process the Ministry seeks to draw right conclusions from identified shortfalls and achievements. It helps making necessary corrections and provides successful implementation of the activities planned for 2015.

### 13.1. NATO Substantial Package

In 2014, Georgia has made significant progress towards NATO integration. At the NATO Wales Summit, Georgia received "NATO-Georgia Substantial Package" aimed at improving defence capabilities, strengthening security and enhancing interoperability with NATO. Within the framework of the package, Georgia can be involved at NATO operations and exercise planning process at an early stage. Moreover, substantial package includes establishment of Joint Training and Evaluation Center and Defense Institution Building School, as well as development of the GAF logistical capabilities. Being recognized as one of the most interoperable partner, Georgia was invited to join the group of five nations (along with Sweden, Finland, Australia and Jordan) who seek "enhanced opportunities" of cooperation with NATO.

### 13.2. Transparency and Accountability

Supported by partner states and international organizations the MoD achieved a considerable progress in 2014 within "Building Integrity" program in terms of increasing level of transparency and accountability of the agency. Recommended by NATO experts, the "BI Action Plan 2014-2015" was approved by the Minister's Decree to support provision of BI program. Progress reports are prepared quarterly. In 2014 memorandum of understanding was signed between Georgia and NATO to support training courses for strengthening integrity in the defence and security sector and allowing MoD personnel to regularly participate in various corruption risk reduction trainings. In the second quarter of 2014, the MoD started to work on the establishment of Building Integrity and Anti-Corruption Environment Monitoring Council. The goal of the Council is to implement effective anti-corruption policy and prepare proposals to strengthen anti-corruption environment in the defence sphere, prepare BI Action Plan and monitor its implementation, as well as develop proposals for the elaboration of study programs that support enhancing integrity in the defence sector.

### 13.3. Preventing Corruption in the Defence Sector

Steps taken in 2014 to reduce corruption risks and fight later in the defense sector should be assessed positively. In particular, according to the decree of the Government of Georgia adopted on December 30, the MoD became a member of inter-agency "Anti-corruption Council", which aims to promote an effective and coordinated fight against corruption. Analytical Department of the Ministry of Justice serves as the Secretariat of the Anti-Corruption Council. Interagency cooperation format includes regular meetings of the Council members as well as working group members in order to effectively

fulfill objectives prescribed by the Council Statute. During the reporting year, the “Anti-corruption Strategy” and “Anti-corruption Action Plan for 2014-2015” were elaborated. The Article 12 of mentioned Action Plan regulates the “prevention of corruption in the defense sector”. Later, the MoD elaborated sub-priorities of the above-mentioned Article, aimed at increasing transparency and accountability of the Defence sector, enhancing financial management and procurement procedures, rising awareness of civil servants and military personnel and consequently - preventing corruption.

#### **13.4. Enhancing Gender Equality**

Another achievement of the Ministry in 2014 is related to steps taken towards ensuring gender equality. In this respect, it is noteworthy to mention elaboration and approval of the Gender Equality Strategy of the Ministry. By developing the document, the MoD promotes state-policy on gender equality, ensures realization of equal rights, freedoms and opportunities for men and women and prevents all forms of gender discrimination in the defence system. In addition, gender advisor positions and gender equality monitoring groups were established at the General Staff to reveal, prevent and adequately respond to the cases of gender discrimination.

#### **13.5. Transition to Pay-by-rank System**

Transition to the pay-by-rank system was NATO obligation that was finally accomplished by the end of 2014. According to the change, salaries of the military personnel are determined by their rank, not their position. To achieve this goal the Ministry developed Transition to Pay-by-rank System Action Plan. As a result, by September the 1<sup>st</sup> 2014, the transition from pay-by-position to pay-by-rank system was accomplished. The new system ensures the allocation of equal payment to military personnel holding the same rank and eliminates rank-position imbalance. In addition, interest of the military personnel is devoted towards receiving education and self-development, and not towards aspiration of moving towards the higher position.

#### **13.6. Program Structure**

In 2014 significant steps were taken to improve the Material Resources Management System. With active involvement of the General Staff, the Ministry managed to define program structure for 2015-2018 years. The MoD also elaborated and approved Defense Planning Guidance. In 2014, the Defense Ministry developed an integrated pilot program for the first time. The program represents the unity of the Ministry`s programs for 2015 and supports the development of the 2015 defence budget. It also reflects the development priorities for 2016-2018. Although the document has not been approved, the recommendations developed based on lessons learned analysis will significantly contribute to the development of the 2016 and further budget planning.

#### **13.7. Challenges**

Among existing difficulties, the scarcity of budgetary resources should be highlighted as the main factor that prevents development of Defence capabilities. In certain cases, the existing material-technical capabilities are insufficient or do not meet modern standards. All this negatively impacts the human resource retention policy. Therefore, in terms of budgetary constraints it is necessary to clearly define priorities, implementation timelines and improve monitoring and planning of ongoing activities.

## 14. Ways Ahead

Nationally developing the GAF's capabilities, including transitioning to a professional army, is a complex issue requiring significant commitments. Internationally, Georgia continues to meet international obligations in the interest of global peace and security through participating in international missions. An extremely important initiative from NATO Wales Summit 2014 is the NATO-Georgia Substantial Package that will enhance Georgia's national defensive capabilities and advance preparation towards NATO membership.

Accordingly, to support Defence transformation and Euro-Atlantic integration, our priorities for 2015-2016 are to:

**Enhance Defence Management** – the priorities include improving the professionalism of military personnel and civil servants; strengthening effective personnel management mechanisms; implementing institutional reforms; increasing the mechanisms for democratic control; and deepening inter-governmental international cooperation.

**Improve Defence Capabilities** – high importance will be directed to preserve combat readiness; organize high quality and realistic simulations military drills; apply modern theoretical and technical tools; and improve education, military training and doctrines.

**Enhance International Cooperation and NATO Interoperability** – integration into Euro-Atlantic structures is a national foreign and security policy priority, to advance this MoD will continue to participate in international missions led by the EU and NATO; implement the NATO-Georgia Substantial Package; and continue to intensify cooperation with partner states through bilateral and multilateral cooperation.

## Conclusion

The White Book 2014 is a second edition, offering an account of the annual activities of the Ministry of Defence and Armed Forces, concerning important achievements, current challenges and future directions, to Georgian and international audiences.

Improving Georgia's national Defence capability will continue to be a complex issue, requiring sustained commitment, resources and professional people to implement Defence transformation and Euro-Atlantic integration. Herewith, maintaining high level of transparency and accountability remains an important priority for the Ministry of Defence and Armed Forces.