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**REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT AND
THE COUNCIL**

**Third progress report on Georgia's implementation of the action plan on visa
liberalisation**

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1. INTRODUCTION

The European Union launched a visa liberalisation dialogue with Georgia in June 2012. In February 2013, the European Commission presented the Georgian Government with an action plan on visa liberalisation (VLAP). This set out the benchmarks Georgia needs to meet before Georgian nationals holding biometric passports can enter the Schengen zone for short stays without needing a visa.

In November 2013, the Commission adopted its first progress report on Georgia's implementation of the VLAP¹ and made several recommendations for completing implementation of the first-phase (legislative and planning) VLAP benchmarks. In October 2014, the Commission adopted its second progress report,² which concluded that Georgia fulfilled the first-phase benchmarks of the VLAP and was ready to be assessed on whether it was achieving the second-phase benchmarks. In its conclusions of 17 November 2014, the Council concurred with the Commission's assessment.

In December 2014 Georgia submitted an updated progress report. Evaluation missions under the lead of the Commission on all four blocks of the VLAP took place from December 2014 to March 2015, involving experts from EU Member States, assisted by the Commission, the European External Action Service (EEAS) and the EU Delegation to Georgia.

This is the first progress report on Georgia's implementation of the second phase of the VLAP. It presents the progress achieved so far, sets out how the second-phase benchmarks have been addressed and recommends measures Georgia should take to implement the remaining second-phase benchmarks effectively and sustainably.

This report is accompanied by a Commission staff working document³ which looks in greater detail at the developments described here. In annex of the staff working document, as required by the VLAP methodology, the Commission provides factual analysis and statistics based information regarding the expected migratory and security impacts of the future visa liberalisation. The data and information available give prospective main trends in migration and security areas, showing that EU is an attractive destination for migrants from Georgia with potential security challenges to be monitored.

2. ASSESSMENT OF MEASURES UNDER THE FOUR BLOCKS OF THE ACTION PLAN ON VISA LIBERALISATION

2.1. Block 1: Document security, including biometrics

The Public Service Development Agency (PSDA) performs the functions of a civil registry, issues identity documents and carries out procedures related to citizenship. It is a well-managed authority with an appropriate and knowledgeable senior management that has

¹ COM(2013) 808 final.

² COM(2014) 681 final.

³ COM(2015) 103 final.

clearly defined roles and responsibilities. The recruitment process is sound, as does the approach taken to ensuring that staff is provided with the necessary training, including ongoing training, to carry out their roles effectively and efficiently.

The Georgian application and issuance system is efficient and secure, and ensures separation of roles between those receiving applications, those making decisions and those issuing documents. The roll-out, at home and overseas, of biometric passports that comply with International Civil Aviation Organisation requirements has been successful.

The document security benchmark is deemed to be achieved.

2.2. Block 2: Integrated border management, migration management and asylum

2.2.1. Integrated border management

The overall progress in developing the legal framework over the past 10 years, together with the effective implementation of legislation, have brought Georgia's integrated border management into line with European standards. The Georgian authorities show clear commitment to further developing state border security. The integrated border management strategy has been updated and a common understanding on improving border management prevails among all relevant parties. The action plan puts the strategy into effect through concrete actions, responsibilities and timelines.

The number of border irregularities is low and cross-border traffic offences are limited compared with the volume of traffic. Border checks at land, sea and air border crossing points are organised in a harmonised way. Cooperation between the Patrol Police and the Revenue Service is exemplary. Facilities at border crossing points to control the flow of cross-border traffic are modern and practical.

The integrated border management benchmark is deemed to be achieved.

2.2.2. Migration management

The Law on the Legal Status of Aliens and Stateless Persons is working well and all the necessary bylaws have been adopted. Georgia's migration strategy and action plan for 2013–2015 are its main measures for managing migration. Implementation of the activities is on track. The State Commission on Migration Issues, an advisory body to the government, efficiently coordinates the activities and roles of the relevant ministries, state agencies, non-governmental organisations and international organisations on migration issues. The capacity and human resource management of the Georgian administration are generally sufficient and effective. A proper level of staff training is undertaken in all relevant fields and ministries. The readmission procedures and the readmission case management electronic system are in place and function well.

Implementation of the parts of the Law on the Legal Status of Aliens and Stateless Persons dealing with detention and return was postponed to 1 July 2015. The authorities have established all the necessary mechanisms and tools. A thorough analysis should be carried out to identify any gaps and legal issues that may need to be addressed.

The migration management benchmark is deemed to be almost achieved. It is recommended that the Georgian authorities:

- Expand the risk analysis concept established within the Ministry of the Interior to include all relevant fields of migration policy, including asylum policy, legal migration policy and integration and reintegration issues.
- Put the reintegration activities under a single management structure so it is managed strategically with clear policy directions. The authorities should continue to provide the mobility centres with sustainable financing and human resources, and increase their capacity in line with the results of risk analysis. An analytical reporting system should be created for estimating the overall number of Georgian nationals returning to Georgia (voluntarily, due to deportation or through readmission).
- Step up information campaigns at regional, local and all other levels on rights and obligations of Georgian citizens under a future visa-free regime.

2.2.3. Asylum policy

Georgia has adopted a solid legislative framework for asylum within a relatively short period. The Law on Refugees and Humanitarian Status provides the necessary institutional framework, legal procedures and principles, and is largely in line with international and European standards. The law is generally implemented in a satisfactory manner. The quality of the procedure for determining refugee status is broadly sufficient.

A temporary identity card was introduced and is granted to all asylum-seekers as of 15 November 2014. A Country of Origin (COI) Unit has been set up and is functioning well. Considerable progress has been made on integrating foreign citizens, for example by guaranteeing them the same treatment as Georgian nationals in healthcare and employment.

The asylum benchmark is deemed to be partially achieved, with good prospects for further progress. It is recommended that the Georgian authorities:

- Continue work developing procedures for issuing visas on humanitarian grounds.
- Create a system to monitor the quality of decision-making on asylum applications, based on clear quality indicators.
- Develop a strategy to manage the accumulated backlog of cases and a system of contingency planning for sudden influxes. Sufficient human and financial resources should be made available.
- Guarantee, in law and in practice, the Ministry of Internally Displaced Persons from the Occupied Territories, Accommodation and Refugees' ability to make motivated decisions on the cases independently, and strictly on individual merit. Give rejected applicants or their legal representatives at least minimum access to the Ministry of Interior information on which the negative security advice was based, so that it can be challenged in court through a fair trial.
- Develop a standard national training programme for new and experienced staff alike.
- Introduce a COI database and reports accessible to all caseworkers. Train caseworkers in the basic principles of COI. Introduce a clear distinction between COI and policy products. Set up working arrangements with COI units in other countries.

- Take steps to assess how the processing time in the appeal phase could be shortened and to introduce a more reasonable time limit for lodging a court appeal, as the current one of 10 days is too short.
- Establish for the appeals procedures a state-sponsored system of free legal aid that is easily accessible, independent and of high quality.
- Continue work to guarantee that refugees wishing to become Georgian nationals can access the naturalisation procedure in practice.
- In addition to the progress achieved, develop a local integration strategy with a clear step-by-step action plan. Provide sufficient state funds and an efficient coordination mechanism.

2.3. Block 3: Public order and security

2.3.1. Preventing and fighting organised crime, terrorism and corruption

2.3.1.1. Preventing and fighting organised crime

The legislative amendments, organisational reforms and actions taken to strengthen the capacity of law enforcement agencies, and the cooperation and coordination between them, have enabled effective action to be taken against organised crime. The modern legislation on organised crime and money laundering, including seizing crime proceeds, has made it possible to tackle the most prominent organised crime groups. The public awareness programme about organised crime has turned public opinion against it.

Coordination between law enforcement and judicial authorities is good and functions well. This is done through, among other channels, the Interagency Coordinating Council for Combating Organised Crime, which is an effective forum for sharing information and responsibilities. The Council also ensures the national strategy and action plan for combating organised crime is properly implemented. The capacity Georgia has established for collecting and analysing crime information allows threats to be assessed thoroughly.

The organised crime benchmark is deemed to be achieved.

2.3.1.2. Trafficking in human beings

Georgia has made significant progress in tackling trafficking in human beings. The legislation is comprehensive and the infrastructure for bringing together key parties and providing significant funds is in place. There is a commitment to provide ongoing training for professionals and carry out an extensive programme to raise public awareness nationwide. However, there are significant weaknesses when it comes to addressing the needs of vulnerable victims, particularly children. The absence of a labour inspection system with statutory powers limits the scope to address trafficking for forced labour. The small but growing number of cases is a cause for concern, as is the failure to apply the legislation covering the users of services available to victims of trafficking.

The trafficking of human beings benchmark is deemed to be partially achieved, with good prospects for further progress. It is recommended that the Georgian authorities:

- Review the provision of services, in particular the organisation and operation of the existing shelters, to victims of trafficking to ensure that the needs of those with accompanying children are adequately met.
- Review the provision of psychological, medical and legal support in order to maximise access for all identified and suspected victims.
- Review the status, remit and powers of the Labour Inspection Department to ensure that it has the ability to identify and respond to labour exploitation and forced labour.
- Take steps for enhancing proactive, intelligence-led investigations to all forms of exploitation.
- Develop a robust approach to tackling the buyers of women trafficked for commercial sexual as well as labour exploitation, with the joint aims of securing their testimony and addressing demand for such services.
- Review and improve the collection and analysis of data across the organisations operating in this field within the country to more accurately reflect the numbers, gender, age, ethnicity and type of exploitation.
- Review the various hotlines in order to maximise reporting by the public and victims.
- Increase liaison and partnership with countries identified by Europol as key destinations and sources, such as Turkey, as well as Azerbaijan, Kyrgyzstan, Uzbekistan and Armenia.

2.3.1.3. Preventing and fighting corruption

A significant number of measures aimed at strengthening the institutional and legislative framework for fighting corruption have been adopted or are pending adoption. The government adopted a plan for reforming the civil service in November 2014. In February 2015, Georgia adopted the national anti-corruption strategy and action plan for 2015–2016. A specialised anti-corruption unit within the Office of the Chief Prosecutor was set up in January 2015. The unit is mandated to investigate and prosecute cases of high-level corruption. The appointment and dismissal of the Chief Prosecutor needs to be taken in an open, merit-based, objective and transparent way, free of undue political influence. Further pursue implementing the current improved safeguards against potential misuse of plea-bargain agreements signed by people under arrest, particularly in the light of pre-2012 abuses. The question of the reappointment procedures for currently serving judges whose 10-years term of office is expiring needs to be closely monitored as it could have broader implications on the operation of justice. Such reappointment should take place unless there are factual reasons which would justify the removal from office of a serving judge.

The anti-corruption benchmark is deemed to be partially achieved, with good prospects for further progress. It is recommended that the Georgian authorities:

- Pursue the reform of the civil service with the adoption of a Civil Service Law in line with international practice setting the scope and standards of a professional and depoliticised Civil Service. Additional safeguards covering the dismissal of the head of the Civil Service Bureau should be included in the law.
- Establish a systematic check of asset disclosure forms, backed up by a system of penalties to deter unexplained enrichment, conflicts of interest and incompatibilities. The new legislation regulating the verification of asset declarations should include in-depth verification procedures allowing unjustified wealth, conflicts of interest and

incompatibilities to be identified. Appropriate deterrent sanctions should be included. It is important to establish an agency to check the verifications, or to designate an existing one to do this.

- Ensure that the rules setting out criteria for dispensing with the tendering process for public procurement contracts clearly define the precise circumstances under which this may be done and the procedures to be followed. These procedures should require public notice and the right of objectors to be heard. The decision to dispense with tendering should require independent approval by the State Procurement Agency.
- Further strengthen the practical protection of whistler-blowers by introducing rules and procedures that would ensure safe reporting, further increase awareness amongst civil servants on the whistle-blowing practice.
- Continue work on implementing all the recommendations made by the Council of Europe's Group of States against corruption.

2.3.1.4. Money laundering and financing of terrorism

Georgia has made considerable progress over the past year. The legal framework is now mostly in line with EU and international standards and the institutional framework, inter-agency cooperation and administrative capacity are mostly in place. Implementation of the strategy and action plan for combating money laundering and terrorism financing should be continued as planned. Practical experience of terrorism financing remains limited but the Georgian authorities seem prepared to tackle these issues if necessary. The widespread use of plea-bargaining entails a risk that criminals may find ways to avoid confiscation of illicit assets.

The money laundering benchmark is deemed to be almost achieved. It is recommended that the Georgian authorities:

- Strengthen the legislative framework for cross-border cash movements and improve its implementation.
- Make better use of the existing legal framework for confiscating criminal assets.
- Fill the remaining vacancies at the Financial Monitoring Service.
- Ensure the Methodology and Offsite Inspection Unit at the National Bank of Georgia starts its operations with a full staff, and ensure that a separate offsite monitoring unit at the Insurance State Supervision Service is established.
- Do more outreach towards, and awareness-raising among, reporting entities that produce no or very few reports.

2.3.1.5. Drugs

Substantial progress has been achieved in implementing the national anti-drug strategy and action plan adopted by the Inter-Agency Coordinating Council on Combating Drug Abuse. Advances have been made particularly in reducing demand for drugs and the harm they cause, and in treatment and rehabilitation. Various projects and programmes have increased young people's awareness of drugs' harmfulness and the dangers they pose. To reduce the drug supply, substantial efforts have been deployed on law enforcement actions and on improving cooperation between agencies. Remarkable progress has been achieved, mainly by

establishing law enforcement agencies' working arrangements, processes and databases and providing the necessary equipment and training.

Despite this progress, however, the national drug policy remains based more on retribution than restorative action.

The drugs benchmark is deemed to be partially achieved, with good prospects for further progress. It is recommended that the Georgian authorities:

- Further strengthen the supply reduction side of the national drug policy, including by completing the legislative amendments aiming at the introduction of a distinction in the legal framework between possession of drugs for personal use and for sale to others.
- Consider introducing judicial control over unplanned drugs tests performed by the police.

2.3.2. Judicial cooperation in criminal matters

Georgia's implementation of the legal and institutional framework is sufficiently strong to make it a stable and reliable partner in international legal cooperation in criminal matters. The legal instruments — both domestic and international — of this framework are updated and applied in a way that also allows for international cooperation in fighting serious crimes. The preparations for the conclusion of an operational cooperation agreement with Eurojust have reached an advanced stage.

The judicial cooperation in criminal matters benchmark is deemed to be achieved.

2.3.3. Law enforcement cooperation

The law enforcement agencies work together in the fight against crime, carrying out this task in an inclusive and multi-disciplinary way (through the Council, committees and inter-agency coordination). There is good interaction between investigators and prosecutors and adequate cooperation between agencies has been ensured. Georgian authorities have sophisticated equipment at their disposal to support investigations and prosecutions. The Ministry of Interior's Forensic Main Department and the National Forensic Bureau have significant forensic capabilities. Bilateral international cooperation with the EU is deepening through the signature of cooperation agreements with Member States.

The law enforcement cooperation benchmark is deemed to be almost achieved. It is recommended that the Georgian authorities:

- Start producing a regular assessment report on all-encompassing threats, including future trends and emerging threats, based on intelligence-led policing and continuous evaluation.
- Conduct an awareness-raising programme in the police and the Office of the Chief Prosecutor, including in the regions, on the scope for international cooperation at operational level.

2.3.4. Data protection

Georgia is satisfactorily implementing the legislation on the protection of personal data in the public and private sectors by ensuring that the independent data protection supervisory authority functions effectively. The country has allocated the necessary human and financial resources, conducted training programmes and raised awareness on data protection. The preparations for the conclusion of an operational cooperation agreement with Eurojust have reached an advanced stage.

The protection of personal data benchmark is deemed to be achieved.

2.4. Block 4: External relations and fundamental rights

Georgia has made notable progress in this area over a short period of time. The necessary legal framework on citizenship, freedom of movement (migration) and non-discrimination was adopted in 2014.

2.4.1. Freedom of movement within Georgia

A new legal framework which introduced major changes to the status of aliens and stateless persons was adopted in 2014. The legislative changes give foreign citizens living in Georgia the possibility to stay legally. Freedom of movement within Georgia for its nationals, foreigners staying legally and stateless persons is deemed to be ensured and subject neither to unjustified restrictions nor measures of a discriminatory nature.

The freedom of movement benchmark is deemed to be achieved.

2.4.2. Conditions and procedures for the issuance of travel and identity documents

Full and effective access to travel and identity documents is available to all Georgian nationals, including women, children, people with disabilities, internally displaced persons and people belonging to minorities and other vulnerable groups.

The issuance of travel and identity documents benchmark is deemed to be achieved.

2.4.3. Citizens' rights including protection of minorities

The effective implementation of anti-discrimination legislation and policies, is progressively being built up through case-law and precedents, even if little anti-discrimination litigation is under way at present. These developments follow the entry into force of the Anti-Discrimination Law, which provides the legal framework for ensuring equality and non-discrimination, and of measures to implement it, in which the Public Defender's Office plays a crucial role.

As concerns certain provisions in the anti-discrimination law, such vigilance is necessary to ensure that adequate and effective protection against discrimination is provided in practice and that any derogation is applied in line with the principles of necessity and proportionality and in line with international and European standards

Regarding implementation of the national human rights strategy and action plan, the Human Rights Secretariat under the Prime Minister's office is fully staffed and all the activities planned for 2014 have been implemented. Significant progress has also been achieved over recent years in protecting ethnic minorities and promoting their civic integration.

Georgia has started preparatory work for signing the European Charter for Regional or Minority languages and for harmonization of Georgian legislation into line with the Charter's provision. Moreover, preparations for the adoption of a law on the state language are under way.

The citizens' rights benchmark is deemed as almost fulfilled. It is recommended that the Georgian authorities:

- Increase and sustain efforts to raise awareness among State representatives and society at large about equality, tolerance and diversity issues; intensify efforts to raise minority communities' awareness about their citizens' rights and the state services and benefits available; adopt a new strategy and action plan to promote tolerance and civic integration taking full account of the experience gained in implementing the previous action plan, and by providing for adequate funding for its effective implementation and by establishing effective monitoring mechanisms with benchmarks and indicators.
- Continue training of legal professionals in close cooperation with civil society and international organisations and donors and due consideration of legislative proposals submitted by the Public Defender.

3. OVERALL ASSESSMENT AND NEXT STEPS

The Commission has assessed Georgia's implementation of the second-phase VLAP benchmarks in line with the established methodology and on the basis of evaluation missions and of data and documents Georgia has provided.

The EU has continued monitoring Georgia's progress in VLAP-related areas in the EU-Georgia Joint Visa Facilitation Committee, the EU-Georgia Joint Readmission Committee, the EU-Georgia Subcommittee on Justice, Freedom and Security and in the Human Rights Dialogue. In each of these committees, the dialogue and cooperation between the EU and Georgia is considered to be very advanced.

Georgia's progress under the four blocks of the VLAP has been significant. This shows the country's strong commitment and the extent of the efforts it has made. The implementation and results of the reforms Georgia has introduced have been thoroughly analysed. This has established that the functioning of the legislative and policy framework, and the integrity of the institutional and organisational principles and procedures across the four blocks, generally comply with the best European and international standards. Therefore, the Commission considers that Georgia is broadly in line with the second-phase benchmarks of the VLAP.

In view of the significant progress Georgia has made in the past few months, the Commission is ready to bring forward the timing of the next report provided that the rapid progress based on the benchmarks and state of play, as further described in the present report and staff

working document, continues. However, Georgia still needs to make further efforts in line with the recommendations in this report. It is also essential that it continues to organise targeted information campaigns setting out the rights and obligations of visa free travel, and on the rules regulating access to the EU labour market.

Fulfilling the actions required in this report would allow Georgia to complete its implementation of all the VLAP's second-phase benchmarks. The Commission will continue to monitor and to do its utmost to support Georgia and will report on progress by the end of 2015.