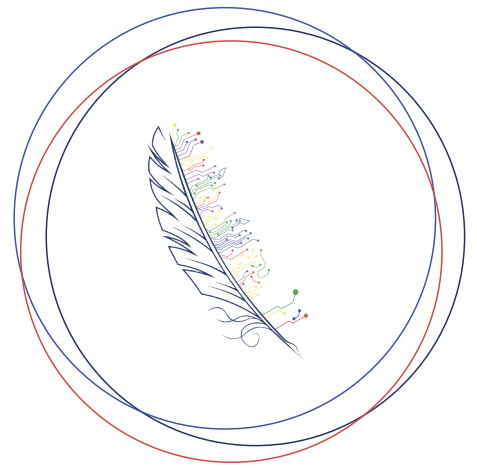


Ministry of
Education, Science and Youth of Georgia

Georgia Innovation, Inclusion
and Quality Project (I2Q)

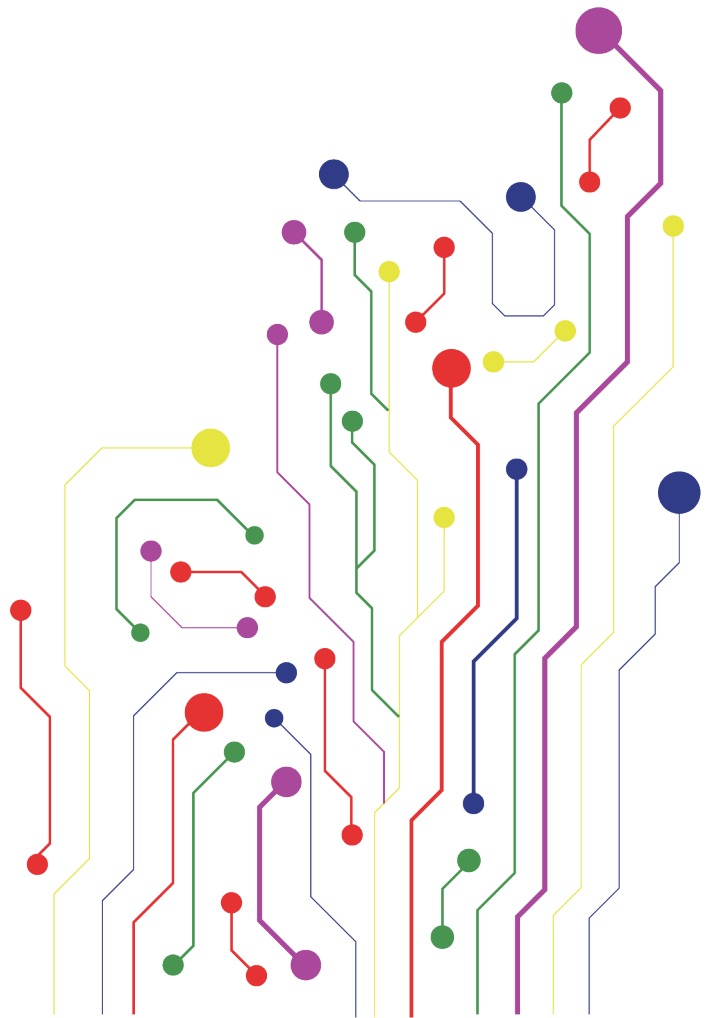


PROGRESS REPORT

For the period of
January-June
2025

Submitted by: Project Management Unit

www.iiq.gov.ge



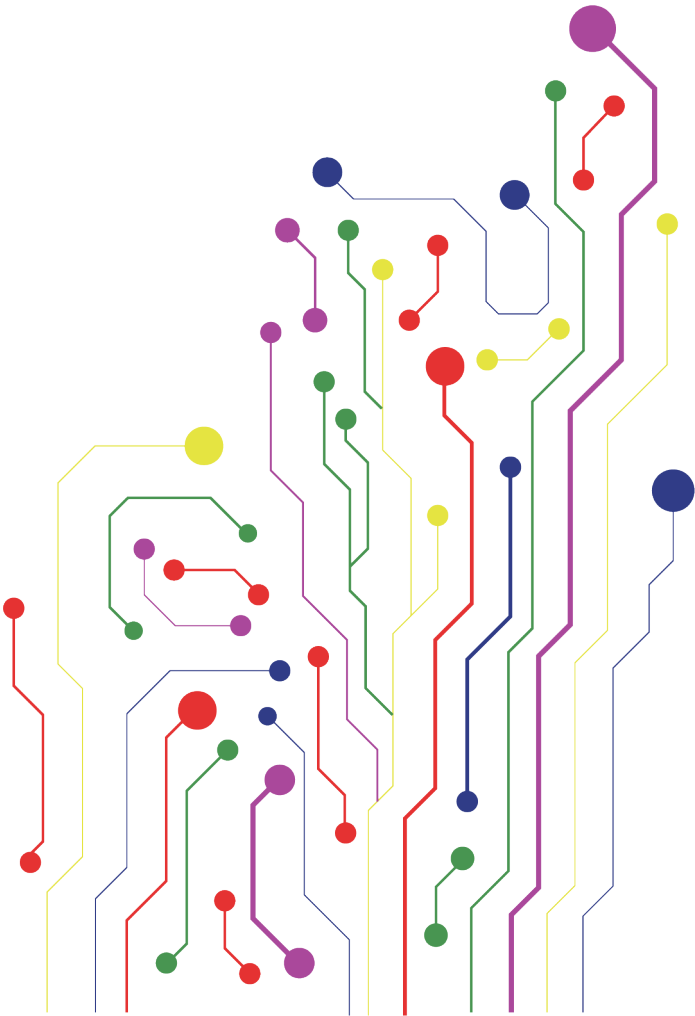


PROJECT INFORMATION SHEET

PROJECT TITLE: Georgia Innovation, Inclusion and Quality Project (I2Q)

PROJECT NUMBER: Ministerial Decree №338

FOR: The World Bank Group



ABBREVIATIONS AND ACRONYMS

CFA	Continuous Formative Assessment	MTR	Mid-Term Review
CIF	Competitive Innovation Fund	NAEC	National Assessment and Examinations Center
CIF AU	Competitive Innovation Fund Administration Unit	NCEQE	National Center for Education Quality Enhancement
ECEC	Early Childhood Education and Care	OM	Operation Manual
ECE	Early Childhood Education	PBF	Performance-based Funding
EMIS	Education Management Information System	PD	Professional Development
ESIDA	Education and Science Infrastructure Development Agency	PDO	Project Development Objective
FEF	Front end Fee	PMU	Project Management Unit (under MESY)
GE	General Education	PMT	Project Management Team (under MDF)
GoG	Government of Georgia	QA	Quality Assurance
HE	Higher Education	QAF	Quality Assurance Framework
IES	International Excellence School	QCBS	Consultants Quality and Cost-Based Selection
IPF	Innovative Programs Fund	SDSURF	San Diego State University Research Foundation
MDF	Municipal Development Fund of Georgia	SRP	School Readiness Program
M&E	Monitoring and Evaluation	ToT	Training of Trainers
MESY	Ministry of Education, Science and Youth of Georgia	TPDC	Teachers Professional Development Center
MoF	Ministry of Finance of Georgia	TSU	Tbilisi State University
Mol	Ministry of Infrastructure	WB	World Bank
MRDI	Ministry of Regional Development and Infrastructure of Georgia	WSI	Whole School Improvement



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I. INTRODUCTION

The Government of Georgia has signed the Loan Agreement for financing the implementation of Georgia Innovation, Inclusion and Quality Project – Georgia I2Q (I2Q Project) with the International Bank for Reconstruction and Development (IBRD). The Project development objectives are to (i) expand access to preschool education and (ii) improve the quality of education and the learning environments and enhance relevance of higher education programs. The loan amount is 90 million Euros.

Original Loan agreement N8955, Section III, Withdrawal of Loan Proceeds.

Category	Amount of the Loan Allocated (expressed in EUR)	Percentage of Expenditures to be financed (inclusive of Taxes)
(1) Works, Goods, non-consulting services, consulting services, Operating Costs and Training for the Project except for Parts 1(c), Part 2(a) and Part 5 (a) for the Project	29,775,000	80%
(2) Works, Goods, non- consulting services, consulting services, Operating Costs and Training under Part 1(c), Part 2(a) and Part 5(a) for the Project	60,000,000	80%
(3) Front-end Fee	225,000	Amount payable pursuant to Section 2.03 of this Agreement in accordance with Section 2.07 (b) of the General Conditions
(4) Interest Rate Cap or Interest Rate Collar premium		Amount due pursuant to Section 4.05 (c) of the General Conditions
TOTAL AMOUNT	90,000,000	

Due to budgetary cuts resulted by COVID-19 outbreak, the MESY requested restructuring of the Loan Agreement. The new scheme was ratified by the Parliament of Georgia on September 30, 2020. Therefore, the counterpart financing has been removed from the Loan Agreement Category (1) amounting to EUR 29,775,000 for Works, Goods, Non-consulting services, Consulting services, Operating Costs and Training for the Project except for Parts 1(c), Part 2(a) and Part 5 (a) for the Project.

<i>The Table in Section III. A of Schedule 2 to the Loan Agreement is amended to read as follows:</i>		
Category	Amount of the Loan Allocated (expressed in EUR)	Percentage of Expenditures to be Financed (inclusive of taxes)
(1) Works, Goods, non-consulting services, consulting services, Operating Costs and Training for the Project except for Parts 1(c), Part 2(a) and Part 5 (a) for the Project	29,775,000	100%
(2) Works, Goods, non- consulting services, consulting services, Operating Costs and Training under Part 1(c), Part 2(a) and Part 5(a) for the Project	60,000,000	80%
(3) Front-end Fee	225,000	Amount payable pursuant to Section 2.03 of this Agreement in accordance with Section 2.07 (b) of the General Conditions
(4) Interest Rate Cap or Interest Rate Collar premium		Amount due pursuant to Section 4.05 (c) of the General Conditions
TOTAL AMOUNT	90,000,000	



The loan will be dedicated to:

- 1) Improvement of the quality of and access to early childhood education;
- 2) Fostering quality teaching and learning in general education;
- 3) Strengthening financing options and promoting internationalization in higher education;
- 4) System strengthening and stakeholder communication and
- 5) Project Management, Monitoring and Evaluation.


Table below represents the reallocation of the Project funds among components, as per approved POM:¹

Project Components	IBRD Financing (EUR)
1. Improving Quality of and Access to Early Childhood Education (ECE) (works, goods, non-consulting services, consulting services, operating costs and training for the Project except for Parts 1(c), Part 2(a) and Part 5 (a) for the Project)	4,325,000
2. Fostering Quality Teaching and Learning in General Education (works, goods, non-consulting services, consulting services, operating costs and training for the Project except for Parts 1(c), Part 2(a) and Part 5 (a) for the Project)	9,015,000
3. Strengthening Financing Options and Promoting Internationalization in Higher Education	8,860,000
4. System strengthening and Stakeholder Communication	3,585,000
5. Supporting Project Management, Monitoring, and Evaluations (works, goods, non-consulting services, consulting services, operating costs and training for the Project except for Parts 1(c), Part 2(a) and Part 5 (a) for the Project)	3,990,000

¹ To be reviewed based on the latest changes.

II. SUMMARY OF IMPORTANT PROJECT DATES

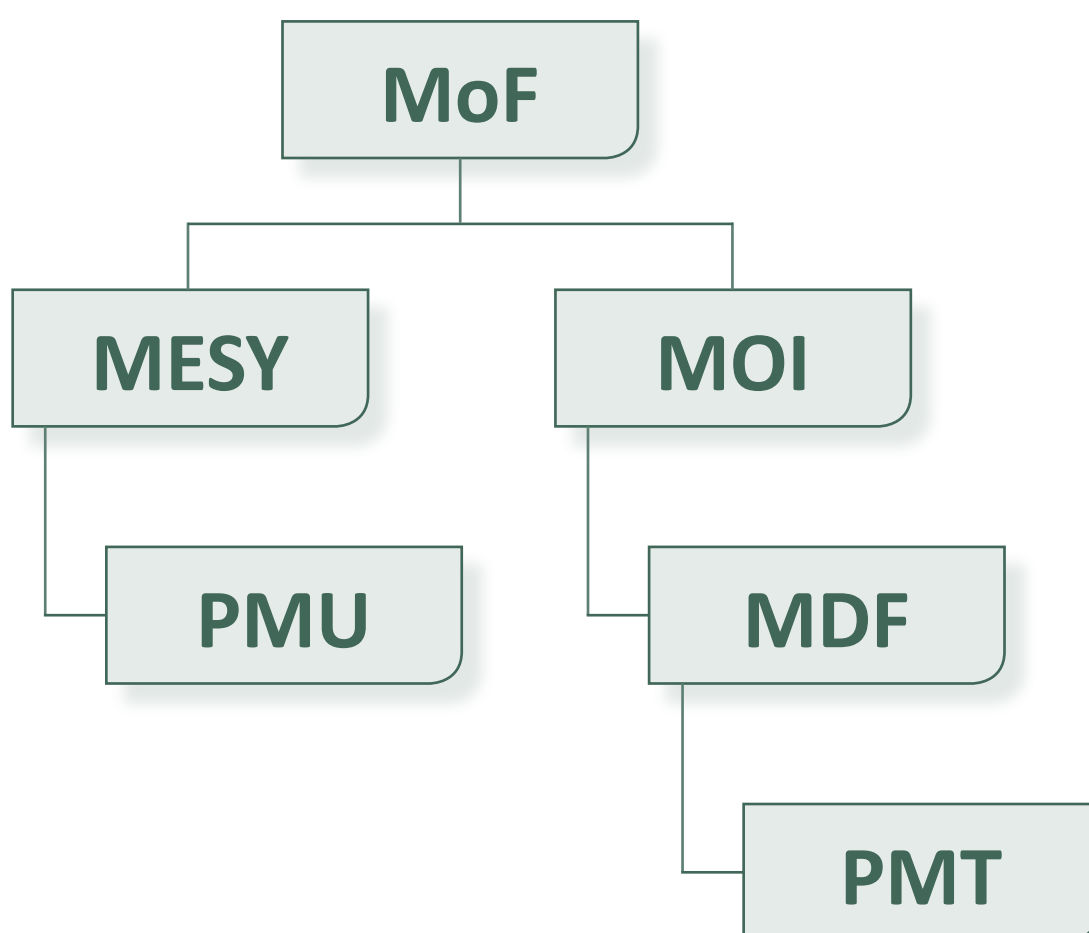
- The Loan Agreement was signed on June 18, 2019.
- Project was ratified by the Parliament of Georgia on October 16, 2019.
- Loan became effective on November 27, 2019.
- Project implementation original period: November 2019 - March 2026.
- Official project launch event was held on March 5, 2020.
- The Loan Agreement has been restructured twice during the implementation period:
 - i. The first loan restructuring was necessitated due to the adverse fiscal impact of the COVID-19 pandemic and the significant reduction in the budget of the MESY. Thus, amendment was conducted to accommodate the GoG request to eliminate requirement of 20 percent co-financing (the table in Section III (A) of Schedule 2 to the Loan Agreement);
 - ii. The second Loan Agreement restructuring was implemented to (a) extend the project closing date by 12 months (from March 31, 2026, to March 31, 2027) in order to allow successful completion of critical project activities and to (b) revise the scope of Component 3 and drop down sub-component 3.4 in line with MESY's request to extend support under sub-component 3.1 for developing the revised core financing modality for higher education institutions, including unit-cost analysis and merit-based scholarship.
- Restructuring of the Results Framework was implemented in parallel to the second Loan Agreement restructuring to reflect the activity adjustments and improve the specificity and relevance of some of the indicators. The adjustments include (a) the technical revisions of one PDO indicator and four IRIs to improve the alignment of indicators with the project activities, (b) the removal of two IRIs due to the modifications of scope, and (c) the addition of two new IRIs.
- Targeted program approval by the MESY on March 9, 2020 (Ministerial Decree No. 338). The latest amendment approved on April 11, 2025 (Ministerial Decree No.403410) in line with implemented (second) restructuring of the Loan Agreement.
- The full package of Internal Regulations of the Project prepared in late 2020 was approved by the Executive Director of the Project on April 12, 2021.
- The last revision and amendments to POM approved by the WB on May 30, 2022.
- WB Implementation Support Missions - July 6-17, 2020; February 15-19, 2021; September 6-17, 2021; March 21-April 1, 2022; September 26 – October 3, 2022, March 27-31, 2023 (MTR Mission), October 2-6, 2023; April 4-11, 2024; December 16-20, 2024; June 16-20, 2025.
Note: Implementation of activities defined in the last Aide Memoire is provided below in respective parts of the report.
- I2Q project Steering Committee established on October 28, 2020 (Ministerial Decree No. 1046328). Current composition of the Steering Committee approved on December 24, 2024 (Ministerial Decree No. 1651872).
Note: The first official Steering Committee meeting held on December 15, 2020. The second official Steering Committee meeting held on November 26, 2021. The third official Steering Committee meeting held on December 19, 2022. The fourth Steering Committee meeting



held on December 27, 2023. The fifth (last) Steering Committee meeting held on December 24, 2024.

The I2Q Project is implemented by the following implementing partners – the MESY and the MDF operating under the MRDI². The PMU created within the MESY supports implementation of the designated project components, as specified in Legal Agreement. The PMT created within MDF supports implementation of relevant subcomponents under Components 1 and 2 aimed at improving the education infrastructure.

III. PROJECT IMPLEMENTATION STRUCTURE



² As a result of reorganization of the MRDI implemented in April 2025, two separate entities – the Ministry of Regional Development and the Ministry of Infrastructure were established and the Municipal Development Fund of Georgia (LEPL) is under control of the Ministry of Infrastructure.

SECTION I – OVERALL PROJECT PROGRESS AND KEY ISSUES

A. THE WORLD BANK IMPLEMENTATION SUPPORT MISSION

A World Bank task team conducted the latest Implementation Support Mission (hereinafter – the Mission) from June 16 - 20, 2025, to review the progress in achieving the project development objectives (PDOs) and identify necessary actions and next steps to accomplish the PDOs. The mission's objectives were to (i) follow-up on the overall implementation progress of the Georgia I2Q Project and discuss fiduciary and safeguards aspects in both implementing entities; (ii) identify solutions to any pending issues and agree on the next steps to expedite implementation; and (iii) participate in site visits.

Table below provides a summary of actions agreed during the last WB Implementation Support Mission and status of their execution (*see Table 1 below*).

TABLE 1 - STATUS OF AGREED ACTIONS

No	Key Actions	Responsible	Due Date	Current Status
1	Identify activities to be supporting with the remaining unused fund	MESY	August 31, 2025	In progress – on track.
Component 1 – Improving Quality of and Access to Early Childhood Education and Care				
2	Identify 14 alternative (schools) spaces to replace existing SRP classrooms	MESY	July 21, 2025	In progress - on track. Note: On June 16, 2025 the PMU was officially informed by the MESY on selection of eleven alternative schools. 8 schools located in Tsalekjikha Municipality is under discussion.
3	Complete renovation of 3 SRP classrooms	MESY	July 21, 2025	In progress – on track. Note: Renovation works completed, documentation on handover due by mid-July 2025.
4	Integrate nationwide ECE salary data into the new remuneration projection tool	MESY	August 31, 2025	Completed. Note: Per MESY, data is collected and reflected in the projection tool.
5	Deliver trainings on kindergartens authorization to 30 municipalities and Tbilisi	PMU	Sept 30, 2025	In progress – on track. Note: Part of the trainings (three modules) were finalized on June 13, 2025. Implementation of rest (two modules) will be completed by end September 2025.



Component 2 – Fostering Quality Teaching and Learning in General Education

6	Obtain permits for infrastructure works in schools №50 and №63	PMT	July 30, 2025	In progress – on track.
7	Complete renovations of Chiatura school №7, Village Khara-jala School and Kareli School №1	PMT	August 31, 2025	In progress - on track. Note: Rehabilitation of Kareli School N1 has been completed.
8	Ensure approval of school infrastructure standards	PMU	August 31, 2025	In progress – on track. Note: Standards were developed and officially handed over to the MESY. MESY initiated approval process via government electronic document system. PMU prepared feedback on several clarification requests received from different line ministries and the document is ready for circulation for GoG.
9	Recruit standard setting judges and conduct capacity building for national assessments	PMU	November 30, 2025	In progress – on track. As planned by NAEC, recruitment of standard setting judges will be completed by August 31, 2025, while trainings will be completed by November 30, 2025. This is in line with the timeline of national assessment-related activities under the multi-component contract signed with IBF Expertise S.A.

Component 3 – Strengthening Financing Options and Promoting Internationalization in Higher Education

10	Transfer package of HE funding legislative changes to the MESY	PMU	August 31, 2025	In progress – on track. Note: A comprehensive legislative reform package was developed in the reporting period. Throughout the ongoing consultation process with relevant stakeholders, the document is being improved and expected to be finalized and officially agreed with respective steering group as part of the R5 report by August 2025, upon which the package will be officially handed over to the MESY.
11	Negotiate the development of supplementary regulations with MESY for new HE funding model implementation.	PMU	October 31, 2025	On track – under discussion. Note: Following coordination with the MESY on the matter, the further preliminary support areas were identified: <ul style="list-style-type: none"> GPA Calculation Methodology: Development of standardized procedures for Grade Point Average calculations Priority Setting Methodology: Framework for determining national and regional priorities Student Quota Methodology: Approach for establishing student enrollment quotas Affiliation Methodology: Guidelines for academic staff institutional affiliations Contract Negotiation Process: Guiding the MESY during piloting of contractual negotiation procedures for the Performance-Based Funding model PBF Contract Template: Preparation of initial contract template and framework. Discussions to be completed and support to be agreed with the MESY.

12	Develop IT infrastructure of the new funding model	PMU	December 31, 2025	In progress – on track. Note: The third pilot version of the system and updated User Manual and System Specification Documents have been developed and shared with respective technical group created by ministerial order for review, testing and feedback. As planned, IMDS platform development will be finalized by the end of 2025.
12	Project fiscal allocations based on the new funding model, develop implementation strategy and transition plan	PMU	March 31, 2025	In progress – on track. Note: Fiscal calculation simulations is planned to be conducted by the Economic Department of the MESY by the end of January 2025. The simulation results will be reflected in the draft regulations that will be prepared within the framework of the project by March 31, 2025.
Component 4 – System Strengthening and Stakeholder Communication				
13	Establish steering committee	MESY	July 15, 2025	Completed. Note: The steering group approved with the Minister's Order N761553 dated June 26, 2026.
14	Finalize and sign Memorandum on Personal Data Protection between MESY, EMIS, and the Consultant	MESY, PMU	August 31, 2025	In progress – on track. Note: Memorandum on Personal Data Protection was signed with the eSchool contractor in April 2025. As for the LMS contractors, draft memorandum is undergoing refinement by all four parties – EMIS, consulting companies and the MESY (PMU). Contract signature is expected in July 2025.
15	Launch LMS pilot implementation	EMIS, PMU	September 30, 2025	In progress – on track.
16	Complete development of E-School functional and carry out pilot	EMIS, PMU	October 30, 2026	In progress – on track.

During the mission, the Aide Memoire was developed, and the implementation timelines were agreed. The detailed description of the progress made during the reporting period is provided under relevant parts of the report.



SECTION II: IMPLEMENTATION PROGRESS BY PROJECT COMPONENTS

A. COMPONENT 1 - IMPROVING QUALITY OF AND ACCESS TO EARLY CHILDHOOD EDUCATION

Sub- Component 1.1 - Improving the Quality of ECE Programs Across the Country

Implementation of the second part of fourth phase of the contract” (Contract No: GE-MESCS-212213-CS-QCBS) was launched in previous reporting period, October 2024 and has been completed within the current reporting period, according to the conditions and timeline provided by respective contract.

As part of this phase, the consulting company organized and conducted a series of working meetings with the NCEQE to develop a three-year action plan for ECE QA framework implementation aligned with the NCEQE’s strategic objectives and the pre-established authorization schedule for ECE institutions. Based on analysis of simulative authorization process, the consultant elaborated strategy and recommendations for improvement of the decision-making process.

Throughout the reporting period, the consulting company facilitated focus group discussions and conducted interviews with beneficiaries of SRP and PD trainings. Based on the thorough analysis of the feedback, the company completed refinement of training modules and development of scale-up strategy and preliminary cost estimations for capacity building initiatives targeting educational staff, as well as the SRP.

To ensure alignment of ECE data reporting system business processes developed under Component 1 with e-School system establishment-related activities under Component 4, consultations took place among SDSURF experts, EMIS management and Data Integration Manager of the Project. As a result, recommendations presented during these discussions were respectively reflected in the Data Protocol Document. Consultations continued with regard to the merit-based remuneration instrument. MESY and TPDC representatives provided helpful recommendations for finalizing the instrument. After thorough review, the report was approved by the respective steering group on February 5, which was followed by official acceptance by the PMU on February 7, 2025. The forthcoming period, was dedicated to the phase 5 of the contract.

To share the progress made and outline future plans under the contract, the second annual conference was held in February 2025 with participation of the MESY management and relevant stakeholders, including but not limited to representatives of kindergarten unions, other donors, etc. The conference also featured panel discussions involving experts, kindergarten managers, trainers, representatives from kindergarten agencies, practitioners from pilot municipalities, and officials from the MESY.

The fifth phase of the contract was launched in March 2025 and is under implementation, with completion date due on July 30, 2025. Key outputs of the phase 5 (R-5) include: (i) Long-term implementation plans of PD, and SRP with a review cycle; (ii) long-term budget plan / framework for municipalities with emphasis on training and resourcing for kindergarten groups, (iii) parent education and community awareness around the revised ECE programs, as well as approaches to teaching

and learning, (iv) revised modern and child-centered curriculum for 2-6 YO children, (v) revised ECE institutions infrastructure technical regulation, (vi) ECE institutions authorization decentralization plan, (vii) recommended legal amendment package for/on: a) ensuring data requirements are in line with Personal Data Protection law, b) supporting adoption of training modules, PD scheme, and Remuneration projection tool, c) granting permission of SRP implementation to the public schools without establishment of additional legal entity.

Considering results of consultations with representatives of relevant structural units of the MESY, management of TPDC, NCEQE and other stakeholders, as well as based on analysis of the pilot findings, the consulting company has completed the aforementioned tasks and, as confirmed, will submit the report (R5) by mid-July 2025.

As a added value to the contractual tasks, during the reporting period, the SDSURF in close collaboration with the NCEQE, SDSURF has supported implementation of additional online training sessions on the following topics: (i) QA Framework, including a general overview and related documentation; (ii) Curriculum; and (iii) Sanitary and Hygiene standards. These sessions involved participants from 30 local municipalities as well as 5 public kindergartens of Tbilisi and 20 private kindergartens across the country. The SDSURF expanded its outreach and conducted a renewed cycle of training and coaching in Gori Municipality. The coaching sessions were designed as a continuation and reinforcement of the 2024 training cycles. This phase included a 10-day, site-based mentorship program targeting 60 caregiver-pedagogues and 30 managers from 30 kindergarten of Gori municipality, who had participated in previous training initiatives. Training sessions took place in two phases - Phase 1 - March 19, 2025 – April 15, 2025; Phase 2 - May 14, 2025 – June 04, 2025.

Sub-Component 1.2 - Increasing Equitable Access to Pre-school Education for Successful Transition to School

As reported under the Sub-Component 1.1, revision and upgrade of 2–6-year-old children’s program was completed during the reporting period.

During the reporting period, minor rehabilitation works have been completed by ESIDA in the remaining three target schools. Acceptance Acts, verifying quality completion for these rehabilitation works is expected to be signed by the end of July 2025.

In the course of the actions, it was determined that 14 out of 150 schools are unable to operate SRP pilot groups, necessitating the replacement within the pilot framework. This issue was communicated with the MESY. To expedite the replacement process, MESY was notified that the 2025–2026 academic year is the final year for enrolling children into the pilot groups of the SRP. Accordingly, the rehabilitation and preparation of spaces in the 14 alternative schools shall be completed by the end of August 2025. In addition to that, a needs assessment for the SRP was conducted across local municipalities. Based on the findings, a list of potential alternative locations was identified and submitted to MESY for further consideration.

On June 16, 2025, MESY submitted a list of 11 schools identified through close collaboration with



educational resource centers and school administrations. According to MESY, selected 11 schools confirmed the availability of appropriate space for SRP groups. Furthermore, MESY verified that alternative locations align with the selection criteria agreed upon with MESY and the World Bank in 2021. Later on, inclusion of eight schools of Tsalekjikha Municipality was discussed with the MESY and the PMU awaits resolution of the issue by mid-July 2025.

Sub-component 1.3 Improving Infrastructure to Support Innovative Primary Education, Including Pre-School

The objective of the sub-component is to develop and introduce blueprints for the combined concept of SRP and Primary level of GE. Since activities related to the planned constructions in the frames of Components 1 and 2 of the Project are executed in parallel, the detailed information on infrastructure development is provided under sub-component 2.1. below (Section II, part B of the Report).

Steps:

- Support and monitor the implementation of Phase 5 of the ongoing contract - “Improving ECE Institution Management System and Enhancing the Quality of Programs Across the Country”;
- Supervise operation of the Contract Steering Group;
- Monitor the implementation of the value-added ongoing activity carried out by the NCEQE with the SDSURF supervision and financial support. This relates to the introduction of the QAF to 30 local municipalities and 5 public kindergartens from Tbilisi and 20 private kindergartens across country. The training focuses on two key areas: (i) quality standards and regulations, and (ii) nutrition;
- To support implementation of revised SRP pilot in remaining schools from 2025-2026 academic year:
 - a. Coordinate with MESY timely identification of remaining alternative schools, as well as implementation and completion of the minor rehabilitation works in these schools. Conduct site visits, as necessary.
 - b. Coordinate timely completion of temporary transfer of dedicated school spaces to municipalities.

B. COMPONENT 2: FOSTERING QUALITY TEACHING AND LEARNING IN GENERAL EDUCATION

Sub-component 2.1. Improving the Educational Infrastructure to Support Learning

In May 2025, the PMU received official enquiry from the MESY's Legal Department, requesting position of the PMU regarding official written feedback submitted by various line ministries and agencies. After discussions with the consulting company, which developed draft document in the frames of the Project, respective changes were reflected in the draft document by the PMU and preparation of feedback on each comment received is being finalized. Official response will be submitted to the Legal Department by mid-July 2025. Infrastructure Standards were developed and officially handed over to the MESY in 2024, which in turn initiated the process of approval. As part of the approval initiation process, MESY once again sent the document to relevant agencies for their feedback.

Significant progress has been made during the reporting period with regard to construction and full rehabilitation works. The MDF has signed contracts for all planned renovations and constructions.

Design stage was finalized and construction works have commenced in case of 6 schools (Ghoubani, Nardevani, Sabechisi, Arashenda, Gvimriani and Shuapartskhma – under Component 1 and Kvareli School No 1 – under Component 2). Construction works of Arashenda Public School (under Component 1), as well as Igoeti and Rodinauli Public Schools (under Component 2) reached the stage of building cladding works. Design stage was finalized and upon receipt of construction permits, construction preparatory works have been initiated in case of Sulda and Abkhazia No. 10 public schools (Component 2). As for the remaining three schools under Component 1, the state of implementation is slightly behind the schedule. In particular, due to the substitution of the land plot, new detailed design was prepared and agreed for the Saparlo Public School. Currently procedures of obtaining construction permit are underway. Construction permits are also to be received for Gukhi and Araflo public schools.

Given current stage of implementation, as expected, construction works for all 14 schools (9 schools under Component 1 and 5 schools under Component 2) will be completed by the end of 2026.

As of the end of the reporting period, status of rehabilitation works is as follows:

- Works have been completed in five schools - Kareli N1; Rustavi N21; Tsikhisdziri, Khashuri N2 and Telavi N2. Considering that rehabilitation process of Tsikhisdziri Public School was completed in February 2025, MESY ensured full equipment of school with the needed furniture and educational process resumed in newly rehabilitated building in April 2025. During the reporting period, the remaining four schools were partially equipped with the resources by MESY. Completion of equipment process will be finalized by the beginning of the 2025-2026 academic year.
- Permits were obtained and rehabilitation works began in Tbilisi schools N120 and N99.
- Substantial progress was made with regard to rehabilitation of Tbilisi School N63. In particular, agreement was signed with a contractor, which was followed by the design stage completion.

- By the end of the reporting period, two school buildings located in Tbilisi (Schools N50 and N63), which are cultural heritage monuments, are undergoing necessary procedures for obtaining rehabilitation permits from Tbilisi City Hall.
- As for the remaining 14 schools, rehabilitation works are underway. As expected, full rehabilitation of 12 schools will be completed by the end of 2025, while in case of two schools, completion of works is anticipated in the first half of 2026.

Even though some of the schools' completion dates fall very near the project closing date, as provided by the MDF, the process will be closely monitored and all the ongoing works shall be completed before the Project end date (March 31, 2027).

Steps:

- Finalizing preparation of official response to the Legal Department of the MESY on the Infrastructure Standards of Schools. This includes the minor revision of the document considering feedback received from various ministries and agencies.
- Coordinate with the PMT on all tasks of rehabilitation and construction;
- Conducting site visits to observe the ongoing rehabilitation and construction works;

Components 2.2 - Supporting the scaling up of the whole-school improvement pilot - 2.4. - Development of a national assessment framework

Since August 15, 2022, key activities related to sub-components 2.2, 2.3, and 2.4 of the I2Q project have been carried out under the ongoing contract titled "Enhancing Quality Teaching and Learning in General Education through the Introduction of Effective Quality Management Systems, Whole School Improvement Plans and Programs, and Improved Assessment Policies, Practices, and Methodologies." This contract is managed by an international consortium led by IBF Expertise S.A (referred to as the Consultant under Section II, part B of the Report).

During the reporting period, Contract Steering Group approved the Fifth Progress Report of the Contract, which was presented to MESY management. Current stage key achievements include: (1) completion of the WSI and CFA pilots; (2) execution of a capacity-building initiative for 46 school principals; (3) establishment and launch of 10 new STEAM Innovative Learning Spaces in Hub Schools, benefiting more than 500 students; (4) organization of the "Future Georgia" STEAM competition regional rounds in Tbilisi and four regions, engaging 57 schools and over 1,000 students; (5) hosting the first policy workshop on school external quality assurance alongside the bi-annual progress review conference; and (6) selection of 167 item writers across 12 subjects for national assessments; (7) Organization of capacity-building activities for the item writers, test development committee members, and NAEC staff.

Table N1. Completed and ongoing pilots

Pilot Name	Pilot Status	Completion Date
School Authorization	Completed	Fall 2023
WSI	Completed	Spring 2025
CFA	Completed	Spring 2025
STEAM Extracurricular Program Pilot	Ongoing (upscaled to 200 schools)	Fall 2025

The following section outlines the main accomplishments of Contract Key Objectives.

Objective A. Whole School Improvement: develop a policy framework, mechanisms and instructions for whole school improvement and support the scaling up of the pilot to help the schools improve quality.

The WSI Pilot, as one of the key activities of Objective A, has expanded to 50 schools to pilot the practice-based self-development approaches for school improvement. During the reporting period, a three-day workshop was held for pilot schools and 46 principals to deepen their understanding of whole school improvement and to develop regional collaboration with network schools on whole school improvement. The final feedback from pilot schools and their school networks will be collected in fall 2025. As part of the Whole School Improvement initiative, 13 training modules have been developed, addressing key areas such as principal leadership and school improvement, innovative learning environments (ILE), continuous formative assessment, etc. Each module is designed with self-directed learning resources enriched from the WSI pilot findings.

As part of Objective A, a policy workshop on school external quality assurance was held to officially hand over the deliverables package to MESY and NCEQE. This package includes conducted capacity-building activities for key stakeholders in school authorization (School Authorization Experts, Authorization Council, and NCEQE staff), the school authorization first progress review, and developed supportive resources including the school authorization guide, best practices document, and authorization experts' evaluation concepts and mechanisms.

Another key activity under Objective A of the Contract is the STEAM Extracurricular Program Pilot. During the reporting period, the Pilot was successfully expanded to all 200 schools. Additionally, the STEAM Innovative Space was set up and officially opened in 10 additional hub schools (out of 200 pilot schools). The abovementioned STEAM Innovative Space has fostered collaborative networks with neighboring general education institutions, extending STEAM project involvement beyond the initial scope of the I2Q project. As of this reporting period, over 3,000 students regularly participate in STEAM extracurricular activities.

To further enhance and sustain the STEAM extracurricular program results, the I2Q project introduced STEAM National Competition - "Future Georgia", a project-based learning initiative. During the reporting period, 57 schools prepared STEAM projects and competed in regional competitions, which were held in Tbilisi and five other regions. An evaluation panel, led by an international STEAM expert, selected nine projects to be invited to the National STEAM Conference scheduled for Fall



2025. Funding opportunity for STEAM projects was equally offered to all participating schools by the PMU. However, several schools expressed willingness to purchase the necessary resources with their own funds. Eventually 44 schools out of 57 participating schools received funding from the project budget.

B. Continuous Formative Assessment (CFA) of Students: support capacity-building of school leaders to adapt, develop, and implement school-based assessment practices.

During the reporting period, a two-day follow-up final workshop was conducted for the CFA pilot participant schools. The workshop focused on summarizing key findings presented by representatives from each pilot school, as well as discussing materials uploaded to the Moodle system. Each school presented their work with adjacent schools in their region on piloting the CFA mechanisms. These school practices were showcased through short videos and presentations, which were uploaded to the Moodle platform as resources for all participating teachers to support their work with network schools.

C. National Assessment Policy Implementation: design the mechanisms and instructions to implement, pilot, roll out, and quality assure the new national assessment policy framework.

During the reporting period, NAEC successfully recruited a new pool of 167 item writers through a two-stage selection process across all 12 subjects to support the development of the national assessment at basic level of general education. In March–April, NAEC conducted general training sessions and subject-specific workshops for the newly recruited item writers. Additionally, the work was successfully completed to develop blueprints and test specifications across all 12 subjects. Both documents are building blocks for items bank development and was accepted by Preschool and General Education Department of MESY. To further strengthen NAEC's capacity, the I2Q project co-financed a week-long Study Visit to CITO in the Netherlands for NAEC staff and MESY members. The Study Visit was aimed at learning from the best international practices on large-scale national assessments, particularly on applied methodology and administration approaches, also use of artificial intelligence in national assessments. Under the direct contract between the I2Q project and NAEC to support the launch of the National Assessment System development process, NAEC has submitted two Reports, covering Task 1 and Task 2.

Table N2. Training Achievements for the reporting period

Purpose	Achievement (number of beneficiaries)
ToT for WSI Pilot Schools/Principals' Workshop (46 schools)	46
CFA Pilot schools follow up workshop	25
Item writers' trainings	167
STEAM Pilot Schools (orientation and progress review online meetings)	300
Total	538

Steps:

The next reporting period will focus on concluding the ongoing activities under the key objectives of the contract and delivering the final outputs to the Client.

Under Objective A: Whole School Improvement, the following activities will be carried out:

(1) Final progress review of the school authorization process will be conducted by International Consultant in close collaboration with MESY, NCEQE, national resource centers, schools and school authorization experts. (2). Whole School Improvement pilot final report with national roll-out plan will be prepared alongside 13 training modules. (3) STEAM National Competition “Future Georgia” regional conference will be organized for the remaining 120 pilot schools. Up to 30 best STEAM projects will be presented at STEAM National Conference, which will be held in Tbilisi in November 2025.

Under Objective B: Continuous Formative Assessment of Students, the CFA pilot final results with the training module and CFA national roll-out plan will be presented to the Client.

Under Objective C. National Assessment Policy Implementation, the nomination process of standard-setting judges will be completed and judges’ panels will be formed across targeted 12 subjects at grade 10. They will complete working on standard setting process of items with guidance of international assessment expert. In light of the conducted work, the initial items’ bank development process is planned to conclude by December 31, 2025.

During the concluding phase, two policy workshops will be organized to formally hand over the project deliverables to the Client. These workshops will be held alongside the Project Closing Seminar, which will present and discuss the final findings of the Contract with key stakeholders.



C. COMPONENT 3 – STRENGTHENING FINANCING OPTIONS AND PROMOTING INTERNATIONALIZATION IN HIGHER EDUCATION

Sub-Component 3.1 - Developing new options for higher education financing, including performance-based options to support the Government’s strategic objectives

During the reporting period, active implementation of the Contract for Consulting Services (Contract No.: GE-MESCS-212278-CS-QCBS-1) signed on November 7, 2022, continued. A significant milestone was reached with detailed deliberations on all components of the new higher education financing model, which was officially agreed upon with the Ministry in November 26, 2024. Multiple working sessions of various formats were conducted, achieving consensus on the detailed content of all model components.

In February 2025, a comprehensive two-day working session was conducted to examine in detail the issues related to the new higher education financing model. The session addressed critical components including financing model elements, implementation requirements, academic program cost calculations, projected financial impact, transition phases, and related considerations. The working session brought together senior leadership and technical experts from multiple institutions:

- **Ministry of Education, Science and Youth of Georgia:** Minister, Deputy Ministers, and representatives from various structural units
- **Subordinate Agencies:** Key personnel from EMIS and NCEQE
- **International Partners:** World Bank representatives
- **Government Coordination:** Ministry of Finance of Georgia officials
- **Project Management:** PMU members

Key Discussion Areas:

Model Components Analysis - Participants conducted a comprehensive review of each component of the proposed financing model – Core Funding, Performance-based Funding (PBF) and Competitive Innovation Fund (CIF), ensuring thorough understanding of the funding pillars and their interdependencies.

Strategic Communication Planning - Emphasis was placed on the critical importance of developing an appropriate information campaign strategy to support successful model implementation and stakeholder buy-in.

Risk Assessment and Mitigation - The working group conducted a detailed evaluation of implementation risks, with focus on potential increases in academic program fees. A primary concern identified was the need to minimize the financial burden transferred to students during the transition period.

Quality Enhancement Initiatives - Participants highlighted the necessity of identifying specific initiatives aimed at improving educational quality within the framework of the new financing model.

Following the working session outcomes, the project team developed a comprehensive analytical

document that covered the following main aspects:

- **Problem Analysis:** Detailed description of current model challenges based on research findings.
- **Solution Mapping:** Clear identification of how specific new model components address identified problems.
- **Quality Initiatives:** Separate delineation of education quality improvement measures.

Additionally, in collaboration with the MESY's Economic Department, the team prepared an updated simulation model featuring:

- **Cost Distribution Framework:** Optimized allocation of academic program costs between the state and students.
- **Enhanced Guarantee Funding:** Increased state contribution through expanded “guarantee financing” within the base funding component, that ensures student tuition fees do not exceed 2,250 GEL for any academic program during the initial four-year implementation period.
- **Transitional Student Cost Ceiling:** Guarantees that the new model will not result in tuition increases for students in any educational program throughout the four-year transition phase, ensuring seamless implementation of the financing model.

Both the analytical document and the updated simulation results were shared and further discussed with the MESY and Ministry of Finance of Georgia. Representatives of both ministries agree that this initiative represents a significant step toward establishing a sustainable and equitable higher education financing framework that balances fiscal responsibility with educational accessibility and quality enhancement objectives.

A comprehensive analysis of the existing legal framework and regulations governing higher education financing was conducted during the reporting period. This assessment provided the foundation for identifying necessary legislative modifications to support the new financing model implementation.

The project team developed the initial version of a comprehensive legislative amendment package required for implementing the new higher education financing model. The package encompasses:

- **Primary Legislation:** Amendments to 2 legislative acts
- **Secondary Legislation:** Amendments to 9 ministerial orders addressing various education quality-related issues such as mobility, student status, grant calculation and transfer procedures, among others
- **New Regulatory Framework:** New government decree establishing all funding component implementation mechanisms.

Five working sessions have been conducted within the contract steering group framework, involving key institutional stakeholders: **MESY, EMIS, NCEQE**. Recommendations and feedback from the group sessions have been systematically incorporated into the legislative amendment package. As a result,



the consultant developed significantly improved documentation that provides detailed definitions of terms and business process regulations required for implementing the new HE funding model, including transitional phase regulations, implementation timelines, and all accompanying changes related to education quality improvement initiatives following increased HE funding.

In June 2025, additional consultation was conducted with NAEC’s Legal Department, providing fresh perspective review – the legislative amendment package was shared to obtain an evaluation from an outside viewpoint on the clarity of the amendment formulations and to identify any potential confusion for those unfamiliar with the internal discussions. At this point, favorable feedback was received concerning both the substantive elements and the wording.

The consultation process continues through additional scheduled working sessions to ensure comprehensive stakeholder input and consensus-building. This legislative reform package represents a critical enabler for the successful implementation of the new higher education financing model, ensuring that the regulatory framework aligns with policy objectives and operational requirements.

Following completion of the consultation process and agreement on the legislative package with the contract steering group, the consultant will:

1. **Explanatory documentation:** Prepare dedicated explanatory documentation ensuring transparent understanding of reform package purpose and expected impact, that should serve as a comprehensive guidance material designed for all reviewing stakeholders: MESY officials - for internal review and approval processes, Government bodies - for cabinet-level decision making, Parliamentary committees - for legislative review and adoption.
2. **Finalize R5:** Ensure all stakeholder recommendations are integrated.
3. **Official Approval Process:** Secure formal agreement on the R5 with final legislative package.
4. **Ministry Handover:** Transfer the completed package to the MESY for official adoption and implementation.

During the reporting period, through active collaboration with MESY and the Ministry of Finance, the PMU successfully coordinated with all interested stakeholders to establish a comprehensive timeline for implementing the new funding model. Specifically:

Legislative Framework Timeline

- The legislative package will come into force on January 1, 2027.
- Consequently, the relevant ministerial orders need to be aligned with compliance - will take effect by April 1, 2027.

Funding Model Transition

- The shift to the new funding model is set to commence in Sept. 2027, which indicates that HEIs will start receiving core funding according to the new model beginning with the 2027-2028 academic year for students who enroll from that time forward.
- Phase-in period - Students who enroll prior to the commencement of the 2027-2028 academic year will continue to receive funding under the “old rules”. Nevertheless, the “performance” aspect will also be relevant for these students, indicating that their scholarships will transition

to a merit-based model.

Working with MESY

- 2026 Preparation Phase:
 - Capacity Building: Strengthening the capabilities of MESY staff for implementing the new funding model
 - Facilitation of the Legislative Process: Providing support to the MESY and reinforcing their positions in discussions and working meetings to secure a smooth approval process for legislative amendments
- 2026 - Clarification on subsequent tasks supporting the implementation of the new funding model:
 - GPA Calculation Methodology: Development of standardized procedures for Grade Point Average calculations
 - Priority Setting Methodology: Framework for determining national and regional priorities
 - Student Quota Methodology: Approach for establishing student enrollment quotas
 - Affiliation Methodology: Guidelines for academic staff institutional affiliations
 - Contract Negotiation Process: Guiding the MESY during piloting of contractual negotiation procedures for the Performance-Based Funding model
 - PBF Contract Template: Preparation of initial contract template and framework

This planning approach ensures systematic implementation of the new funding model while maintaining coordination between all stakeholders and allowing enough time for proper preparation and capacity building.

As for the funding system administration software, on May 19th, the Consultant delivered the third pilot version of the system, including updated User Manual and System Specification Documents, providing comprehensive guidance for system implementation and operation. The third pilot module provides the necessary infrastructure to implement business processes defined by both financing models:

- **Merit-based Scholarship:** Complete business process framework for merit-based grant financing
- **Performance-based Funding:** Comprehensive infrastructure supporting performance-based funding mechanisms

The system incorporates 3 new user portals for key institutional stakeholders:

- **LEPL - National Center for Educational Quality Enhancement**
- **LEPL - Shota Rustaveli National Science Foundation of Georgia**
- **LEPL - International Education Center**

A significant advancement in the third pilot module is **Data Reconciliation**, as it reflects the real student data from the EMIS databases. This enables:

- **Real-time Data Processing:** Direct access to current student information
- **Accurate Testing Environment for EMIS/MESY:** Module testing based on actual data from regAdmin and eUni systems rather than simulated datasets.

On June 6, the third pilot and updated documentation were fully shared with the technical group created by ministerial order, which includes representatives from both EMIS and MESY, and whose responsibilities include testing the new system and providing appropriate feedback. At this stage, the consultant is awaiting the results of the technical group's review, based on which they will make appropriate responses and reflect the results in the fourth pilot version of the system, which will be prepared during the subsequent reporting period.

Sub-Component 3.2 - Setting up Competitive Innovation Fund (CIF) for public and private universities, in partnership with private sector

During the timeframe addressed in this report, the monitoring and evaluation process for individual projects financed through the first and 2nd grant competitions was conducted. This process included review of textual/financial reports submitted by the HEIs, as well as site visits conducted by the CIF AU. The CIF AU carried out the process in accordance with the CIF Operations Manual (OM). Monitoring results were presented to and approved by the CIF Awards Committee, as instructed in the OM.

Five projects funded under the first grant competition of the CIF have been successfully completed during the reporting period. All five projects fully achieved (100%) their anticipated results and deliverables as originally outlined in their project proposals, which has been officially confirmed through evaluation by the Awards Committee.

During the reporting period, the completion of 2 CIF projects was achieved. The Awards Committee has not yet approved the final documentation package. Consequently, after the independent auditor evaluates the projects and the Awards Committee approves the final reports, work will conclude on an additional 2 projects as well.

The CIF Administration Unit continues to conduct systematic monitoring activities for the current portfolio of 20 active projects, specifically, for the remaining 6 projects funded under the first grant competition (7 out of 13 projects have been completed as mentioned above), and 14 projects funded under the 2nd grant competition. The anticipated final deadline for the completion of the first call funded projects is September 2025, whereas for the second call projects, it is December 2025.

Sub-Component 3.3 - Internationalization of Higher Education

Concerning the sub-component 3.3 – “Promotion of the Internationalization of Higher Education”, during the reporting period, the Contract for Consulting Services (Contract No.: GE-MESCS-212280-CS-QCBS) signed on March 2, 2023, was completed.

All objectives successfully achieved:

Task 1 - Joint Doctoral Program Development

- New joint doctoral program “**Management and Administration of Education and Science**” was successfully created, accredited, and received high evaluation from international experts.
- The state’s commitment to providing maximum support is further illustrated by the Ministry’s provision of additional funding during the initial three years of PhD program implementation, covering all associated expenses.

Task 2- Bachelor-Level Educational Modules

- **7 new modules** - Entrepreneurial module and 6 English modules (Academic writing; Business English; Maritime English; Visual communication in arts and science; Legal English; Medical English) for bachelor-level education were created and are now publicly available to all universities.

Task 3 - International Excellence Schools

- **3 IESs** were successfully conducted in Tbilisi, Batumi, and Kutaisi.
- Across the 3 IESs, a total of 96 different participants were involved, representing a diverse range of affiliations and backgrounds. The participants represented 21 different Georgian HEIs, showcasing the national reach of the IES initiative.

The Consultant’s final report (R6) received official approval from the PMU on June 17, 2025.

Steps:

Sub-Component 3.1 - Developing new options for higher education financing, including performance-based options to support the Government’s strategic objectives

- Finalization of the legislative amendment approval process through the fifth progress report submission and acceptance (end August 2025).
- Completion of the process of developing a package of legislative amendments necessary for establishing the legal foundation for the new platform’s (Electronic Platform for Financing Higher Education) operation at the state level and submitting the package to the MESY (end December 2025).
- Development-training-handover: Complete the development of the new Electronic Platform for Financing Higher Education, including: pilot system refinement based on agreed regulatory framework, conducting comprehensive trainings for all stakeholders (HEIs, MESY, EMIS, and other assigned users) on platform usage and functionality, and final system handover to EMIS (end December 2025).

Sub-Component 3.2 - Competitive Innovation Fund (CIF)

- Conduct mid-term evaluations of CIF projects (narrative and financial reports).
- Organization of a comprehensive showcase event to highlight the achievements and success stories of CIF-funded projects (end October 2025).
- Finalize the projects funded under the 1st and 2nd CIF grant competitions.



D. COMPONENT 4 – SYSTEM STRENGTHENING AND STAKEHOLDER COMMUNICATION

Sub-Component 4.1 - Supporting data-driven decision-making accessible to the entire education System

Under Sub-Component 4.1, two major initiatives — the development of a national Learning Management System (LMS) and the modernization of the eSchool platform and EMIS architecture — entered their implementation stage. These projects are designed to improve both classroom-level learning and nationwide education planning.

The “Learning Systems Solutions and Support (LMS) for General Education in Georgia” project advanced steadily during the first half of 2025, with key activities focused on localizing and adapting the Edsby platform to the national education framework. Designed to serve schools, teachers, students, and administrators, the system is intended to support blended learning, curriculum mapping, student engagement, and real-time performance tracking, thereby reinforcing Georgia’s commitment to modern, data-informed education practices.

The project has remained within its planned 18-month implementation window (September 2024 – March 2026), and although approval of key deliverables — including the Inception Report (R1) and the System Design and Adaptation Report (R2) — experienced delays of approximately one month, the overall rollout plan, including the pilot launch in 200 public schools in September 2025, remains unaffected.

During this reporting period, substantial technical progress was made. The Edsby platform interface was fully translated into Georgian, and refinement of terminology and menu hierarchy is ongoing to ensure full alignment with the MESY’s structure. Integration testing between Edsby and national systems — including Single Sign-On (SSO) and the Education Management Information System (EMIS) — was successfully conducted using simulated data, in accordance with privacy standards, given that the Personal Data Protection Memorandum had not yet been signed.

To facilitate system testing and review, role-based demonstration accounts were created for core user groups, including school administrators, system administrators, teachers, and students. These demo accounts were populated with virtual (non-personal) data and transferred to MESY for internal evaluation and user experience testing.

A national validation workshop held in May 2025 brought together over 80 representatives from MESY and its key departments. The workshop enabled stakeholders to interact directly with the system, test workflows, and provide structured feedback. As a result of these consultations, the inclusion of summative assessment functionality — not originally foreseen in the base platform — was identified as a high priority. MESY and the Edsby development team subsequently launched a joint planning process to ensure its integration in upcoming development phases.

The “Upgrade of the eSchool General Education and Early Childhood Education software system and the Enterprise Architecture, Data, and Domain Models for the EMIS education system” project marked a transition from architectural planning to initial development during the first half of 2025.

This strategically important initiative is intended to modernize Georgia’s core education management infrastructure by replacing the legacy eSchool platform with a modular, scalable system aligned with international standards and national educational priorities.

Following the submission and review process, the R2 Progress Report — which encapsulates the completed architecture and development roadmap — was formally approved and accepted by the MESY and the EMIS on May 15, 2025. This approval confirmed the successful completion of the second implementation phase and set the stage for modular development.

Among the key milestones reached during this period was the finalization of Enterprise Architecture (version 1.0), which defines three major functional domains for the new system: Core (central registries and services), eSchool (student-related processes), and Staff (teacher and HR management). This structure will guide phased development in line with operational priorities and ensure flexibility for future scaling.

In tandem with this, the project team developed a strategic roadmap for transitioning to a microservice-based system — a move that will allow for more efficient system maintenance and modular upgrades. Rather than attempting full-scale migration at once, a gradual data migration strategy was established: as each new module is finalized and tested, the relevant data from the legacy Oracle-based platform will be migrated into the new PostgreSQL environment.

To support this complex workstream, a two-day internal coordination workshop was held in April 2025, bringing together technical and functional representatives from MESY, EMIS, and affiliated agencies including ESIDA, EQE, and TPDC. The workshop allowed the project team to validate key architecture models, align domain priorities, and coordinate internal processes across the agencies involved.

Although the project experienced minor scheduling shifts — including a three-week delay in the formal acceptance of the R2 deliverable — these did not substantially affect the overall development roadmap. Preparations are now underway for module-level testing, MESY-led validation, and phased deployment, with an emphasis on interoperability, security, and user-centered design.

Steps:

In the second half of 2025, both projects will shift firmly into their implementation phases, requiring intensified coordination between technical teams and MESY departments to ensure smooth pilot delivery and data security compliance.

For the **“Learning Systems Solutions and Support (LMS) for General Education in Georgia”**, the upcoming months will focus on finalizing legal and procedural frameworks required for real-data integration, most notably the Personal Data Protection Memorandum, signing of which is expected prior to pilot deployment. System localization will continue, including refinements to platform hierarchy and terminology to fully reflect MESY’s internal structure. In parallel to this, national onboarding and training programs will be prepared to support user readiness across 200 pilot schools. In September 2025, the pilot launch will commence as planned, with monitoring mechanisms in place to track performance and gather feedback for further refinement.



For the **“Upgrade of the eSchool General Education and Early Childhood Education software system and the Enterprise Architecture, Data, and Domain Models for the EMIS education system”**, the next steps involve transitioning from core architecture to functional module development. A formal MESY-led steering group (approved based on the Ministerial Order N 761553 dated June 26, 2025) will be activated to oversee module validation, ensuring alignment with sectoral priorities. Internal testing will begin for the first wave of modules, followed by gradual data migration from the legacy Oracle system into the new PostgreSQL environment. The development process will follow a staged, domain-driven model, beginning with Core and Staff domains. Progress will be captured in the upcoming R3 report, due later in 2025, which will assess the initial results of this critical transition into full system development.

Sub-Component 4.2 – Communication and stakeholder consultations for education reform

The sub-component considers the development of an effective communication strategy on the current education reforms and proposed project activities, as well as an action plan to engage various stakeholders and their representative groups. The following tasks were undertaken/completed during the reporting period:

a. Support of the MESY in the development of the new Education and Science Action Plan.

As an additional activity to the project scope, the work was initiated during the previous reporting period and was successfully completed in May 2025. The consultant coordinated refinement and finalization of existing draft of the Education and Science Action Plan 2025-2027 through rigorous consultations and discussions with the MESY and other stakeholders, as well as ensured development of the KPIs to measure success of strategy implementation performance, as well as achieved results and efficiency of objectives. The consultant also conducted capacity building of MESY Strategic Planning unit on defining relevant performance indicators, strategy monitoring tools and monitoring report development. Upon approval of the final report by the International Relations and Strategic Development Department of the MESY, final delivery-acceptance act was concluded within the timeframe of the respective contract (May 6, 2025).

b. Regular updates of the Project website and social media pages;

c. The PMU closely collaborated with internal stakeholders, such as representatives of structural units of MESY, national agencies, etc. to support implementation of Project activities. The most effective and active work is underway in the frames of the steering groups established for supporting implementation the ongoing multi-component contracts. The PMU also closely coordinates with external stakeholders and will continue such collaboration in the future. The following details the meeting held with external partners/donors during the reporting period:

- February 2025 - A high-level two-day strategic multi-stakeholder working session brought together government officials, World Bank representatives, and higher education experts to address comprehensive implementation planning for the new higher education financing model.

- May-June 2025 - A series of strategic collaborative sessions between MESY and the Ministry of Finance, in coordination with key stakeholders, successfully established comprehensive implementation strategies and transition plans for the new higher education funding model components.

d. The following media coverage was provided for the I2Q Project's promotional purposes:

- *Topic:* STEAM Extracurricular Program at Schools
Speakers: Khatia Tsiramua - I2Q Project General Education Lead, Lizi Kakhetelidze – 12th grade student, beneficiary of STEAM Lab, Tbilisi 126 Public School
Channel: [Radio Imedi](#), Educational Talks with Teiko Anjaparidze, April 29, 2025
- *Topic:* Results of the Higher Education Internalization and
Channel: [Georgian Public Broadcasting 1TV.GE](#)
Speakers: Tamar Sanikidze – I2Q Project Executive Director, Tatiana Fumasoli, Professor, Team Leader, UCL, May 15, 2025
- *Topic:* Implementing STEAM extracurricular programs and innovating spaces in Georgian schools
Channels: [Georgian Public Broadcasting](#), [Imedi TV](#), [TV Monitoring](#), May 16, 2025
- *Topic:* STEAM Innovative Workspace launched at Kvareli Public School N2
Channel: [Etaloni](#), Educational Portal, May 22, 2025
- *Topic:* STEAM Innovative Workspace launched at Baghdati Public School
Channel: [Official website of Baghdati Municipality](#), June 3, 2025
[Baghdati Sakrebulo](#)

e. Organization of the following workshops/events was ensured:

- A two-day offsite workshop to address comprehensive implementation planning for the new higher education financing model (February 2025);
- A two-day internal coordination workshop team to validate key architecture models of eSchool, align domain priorities, and coordinate internal processes across the agencies involved (March 2025);
- Bi-annual Project Review Seminar under Component 2 with the involvement of representatives of the MESY and other relevant stakeholders (April 2025);
- A policy workshop on school external quality assurance to officially hand over the deliverables package to MESY and NCEQE (April 2025);
- Workshop for the LMS development project purposes with participation of MESY and subordinated national agencies (May 2025).

Immediate Next Steps:

- **Organization of other workshops/events within the scope of the I2Q Project**, including but not limited to:
 - A Policy Workshop for relevant stakeholders to present a full package of STEAM



Program (October 2025);

- A Policy Workshop relevant stakeholders to present results of the WSI Pilot (October 2025);
 - A conference for presenting the summary of the CIF first grant funding results (September-October 2025)
 - A large-scale workshop to present final results - focus on the HE new funding model and the new Information Management System (IMDS) in their finalized forms. Attendees will have the opportunity to view the system's interface and functionality. Stakeholders: University Management, Ministry Representatives, EMIS, EQE, PMU (Experts) (December 2025).
- Oversee the organization and implementation of events/workshops to be executed by consulting companies under various contracts of the Project;
 - Ensure the I2Q Project awareness raising using relevant tools.

E. COMPONENT 5 - SUPPORTING PROJECT MANAGEMENT, MONITORING, AND EVALUATIONS

PROCUREMENTS

Procurement procedures were completed and the following contracts were signed during the reporting period:

1. Procurement of the Innovative Resources for STEAM Extracurricular Programs for Borjomi N1 public school.
2. Procurement of the Furniture for Borjomi N1 public school.
3. The contract with CITO signed and Study Visit of NAEC and MESY staff to CITO/The Netherlands.
4. The contract for the workshop to discuss implementation support to ongoing eSchool interventions with the representatives of the Ministry and LEPLs operating within its structure (MESY, EQE, TPDC, ESIDA, EMIS and the project team).
5. The contract for the 2-day workshop on the New Higher Education Funding Model.
6. The contract for the workshop to present the full package of QA-related activities (particularly the schools' authorization) implemented under I2Q Project General Education Component to representatives from LEPL - National Center for Education Quality Enhancement, Education Recourse Centers, representatives of schools, members of School Authorization Council and the Expert Corps.
7. The contract on co-financing the workshop organized by LEPL - National Center for Education Quality Enmeshment (NCEQE) for Authorization Council on the school authorization standards and procedures.
8. In line with the revised project end date, the ongoing contract with the research company (ACT LLC) on I2Q Project Performance Evaluation (Data Collection and Analysis) was extended until March 1, 2027.



SECTION III: PROJECT FINANCES

The financial and administrative support for the I2Q Project, as well as procurement management under the Project, as defined by the Loan Agreement and the World Bank (IBRD) rules and procedures, is performed by the PMU under MESY. The PMU maintains the Project financial management system in line with the World Bank requirements and performs disbursement of the loan proceeds accordingly.

During the reporting period (01 January 2025 – 30 June 2025), the total amount of expenditures under the I2Q Project amounted to EUR 2'056'152.00, which is 59% of the forecasted disbursements. As of June 30, 2025, cumulative payments for the project implementation are equal to EUR 22 million (excluding FEF 225'000.00 million), which is 74% of allocated IBRD funds (MESY part – EUR 29'775'000).

Commitments and Disbursement Projections
(from the approved Procurement Plan)
(EUR)

Category	Allocated amount	Signed contracts	Disbursed amount (IBRD)	Disbursed amount (Co-Financing)	Committed signed balance	Uncommitted contracts to be signed
Works, Goods, Non-Consulting Services, Consulting Services, Operating Costs and Training except 1c,2a,5a for the Project	29'775'000.0 EUR	27'743'103.10 EUR	22'020'919.06 EUR	30'001.26 EUR	5'662'182.77 EUR	- EUR

Components			Actual Payment 2025 1 st part	Total Actual Payment 2025
Comp. 1	Improving the quality of ECEC programs across the country	1.1	EUR 386'396.76	EUR 386'396.76
Comp. 1	Increasing equitable access to Pre-School education for successful transition to school	1.2	EUR -	EUR -
Comp. 1	Improving infrastructure to support innovative primary education, including Pre-School	1.3	EUR -	EUR -
Comp.2	Supporting the scaling up of the whole school improvement pilot	2.2	EUR 578'254.04	EUR 578'254.04
Comp.2	Supporting capacity-building of teachers and school leaders to adapt, develop, and implement school-based curriculum	2.3	EUR 74'446.94	EUR 74'446.94
Comp.2	Assisting the development of a national assessment framework	2.4	EUR 220'750.35	EUR 220'750.35
Comp.3	Development of new options for higher education financing	3.1	EUR -	EUR -
Comp.3	Establishment of a competitive innovation fund for public and private universities	3.2	EUR 251'791.86	EUR 251'791.86
Comp.3	CIF Salary	3.5	EUR 39'231.17	EUR 39'231.17
Comp.4	Supporting data-driven decision-making accessible the entire education system	4.1	EUR 195'587'83	EUR 195'587'83
Comp.4	Communication and stakeholder consultations for education reform	4.2	EUR 23'026.78	EUR 23'026.78
Comp.5	Short Term Consultant	5	EUR 21'581.42	EUR 21'581.42
Comp.5	Other Consulting Services	5	EUR 304.65	EUR 304.65
Comp.5	PMU Salary	5	EUR 227'146.55	EUR 227'146.55
Comp.5	Operating Costs	5	EUR 37'632.18	EUR 37'632.18
Total			EUR 2'056'152.00	EUR 2'056'152.00

SECTION IV: ANNEXES TO THE REPORT

Annex I – Indicator Performance Tracking Table

Annex II – Information on Procurement Activities



MINISTRY OF EDUCATION,
SCIENCE AND YOUTH OF GEORGIA



ინოვაციური განვითარების
პროექტი - GEORGIA IQ
Innovation, Inclusion and Quality Project - Georgia IQ



WORLD BANK GROUP

