Municipal Development Fund of Georgia

21 years in development
Who we are:

MDF was established in 1997 as legal entity of public law.

Our primary objective is to support strengthening institutional and financial capacity of local government units, investing financial resources in local infrastructure and services, improving the primary economic and social services for the local population (communities) on sustainable basis, developing renewable energy (midget power plants and geothermal) sources, creating sustainable economic basis for refugees, rehabilitating irrigation and drainage systems, Provide Technical Assistance for Foreign and Georgian physical bodies and legal entities for business development in Georgia, liquidation of damage caused to the population and infrastructure during the conflicts in Georgia.
The structure of Municipal Development Fund of Georgia

- Executive Director
  - First Deputy Executive Director
    - Procurement Unit
    - Analytical & IT Unit
    - Legal Unit
    - Administration Unit
  - Deputy Executive Director
    - Procurement Unit
    - Environmental & Resettlement Unit
    - Project Appraisal Unit
  - Deputy Executive Director
    - Construction Supervision Unit
    - Financial Management and Investment Unit
    - Donor Relations and Project Management Unit
  - Under the Direct Supervision
    - Advisors
    - Internal Monitoring Unit
    - Human Resources Management Team
From 2015 the MDF annual budget increased by 33%

- 2015: 239,614 GEL ('000)
- 2016: 287,460 GEL ('000)
- 2017: 291,911 GEL ('000)
- 2018: 319,500 GEL ('000)
The Fund is cooperating with all large investment banks and financial institutions operating in Georgia

- Government of Georgia
- European Union (EU)
- World Bank (WB)
- Development-related Infrastructure Facility of the Dutch Government
- Asian Development Bank (ADB)
- United States Agency for International Development (USAID)
- Millennium Challenge Georgia Fund (MCG)
- Government of Japan
- European Bank of Reconstruction and Development (EBRD)
- Swedish International Development Agency (SIDA)
- European Investment Bank
- German Development Bank (KfW)
- Council of Europe Development Bank
- Eastern Europe Energy Efficiency and Environment Partnership
Sustainable Urban Transport Investment Program (SUTIP)

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| The $300 million Multitranche Financial Facility for the Investment Program was approved on 19 July 2010. It targets high-priority urban infrastructure projects in Tbilisi and other municipalities in Georgia. The MFF will be carried out from 2010 to 18 July 2020. | Financing of the high-priority urban infrastructure projects like Tbilisi Metro Extension, Anaklia Coastal Improvement, Tbilisi – Rustavi urban road link, Batumi Coastal Protection and more. | • Total Amount of the Framework Agreement – 300 mln USD;  
• Total issued tranches – 256.8 mln USD |
Sustainable Urban Transport Investment Program (SUTIP)

Key Investments

University Metro Station Project

**General Scope of the Project:**

- Refurbishment and renovation of 3 km of Railway & New University Metro Station.
- **Project Cost:** 87.7 mln GEL
- **Contractor:** JV Cobra Insignia
Sustainable Urban Transport Investment Program (SUTIP)
Key Investments
Tbilisi – Rustavi Highway

General Scope of the Project:
• Construction of 17.4 km of Highway with 3 Junctions.
• Project Cost: 214.3 mln GEL
• Contractor: Sinohydro; Seza Insaat
Sustainable Urban Transport Investment Program (SUTIP)

Key Investments

Batumi Coastal Protection Project

General Scope of the Project:

• Costal protection for 1,8 km section
• Project Cost: 55,6 mln GEL
• Contractor: Ltd Struijk
# Georgia Urban Reconstruction and Development (GURAD)

**Program**: To finance multi-sector investment schemes in the public sector of Georgia, mainly demand-driver, high priority projects submitted by the municipalities; project also aims to restore and reconstruct fundamental infrastructure, that was destroyed during the flood that hit the capital Tbilisi in 2015.

**Key terms**: Loan amount: 100 Million Euro, Start: Feb 2016, End: Feb 2021

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# Georgian Upgrade of Municipal Infrastructure Project (GUMIP)

**Program**: To finance Local Self-Government investment projects in Georgia in line with the Government’s decentralization agenda. This is a Framework Loan (FL) operation and eligible investments will include municipal roads, public buildings, water and wastewater infrastructure.

**Key terms**: Loan amount: 100 Million Euro, Start: Dec 2016, End: Dec 2021

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## Loan (Million EUR)

![Loan (Million EUR) Chart](chart.png)
Georgia Urban Reconstruction and Development (GURAD)

Key Investments

Rehabilitation of Tskneti – Betania Road areas affected by the landslide

General Scope of the Project:

- Rehabilitation of the 4 damaged sections
- Arrangement of ground anchors ensuring future sustainability;
- Arrangement of landslide alarm system;
- Project Cost: 25.7 mln GEL
- Contractor: JV of Caucasus Road Projects and Geoizol
Georgia Urban Reconstruction and Development (GURAD)
Key Investments
Multi-Functional Sports Complex and Swimming Pool in Poti City

General Scope of the Project:
• Design-build of the new sports complex and swimming pool in Poti city.
• Project Cost: 14.5 mln GEL
• Contractor: JV of Cobra Instalaciones y Servicios and In-Si
Georgian Upgrade of Municipal Infrastructure Project (GUMIP)
Key Investments

Multi-Functional Sport-Complex in Marneuli

**General Scope of the Project:**

- Arrangement of the sport complex with 590 seats and with the 12 seats for people with disabilities; The complex will also include car parking and administrative spaces.
- **Estimated budget: 9,9 mln GEL.**
# Regional Development Project (RDP) – Kakheti Region (Completed)

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| The Project Development Objective is to improve infrastructure services and institutional capacity related to the tourism economy in the tourism and heritage circuits of the Kakheti region. | • **Urban Regeneration and Tourism Circuit Development** Urban regeneration of towns, restoration of buildings, public spaces, museums, roads and water, enhancement of cultural and natural heritage sites.  
  • **Support to Public Private Investments (PPP)**  
  • **Institutional Development** Support institutional capacity and performance of project stakeholders, including MDF, NACHP, GNTA | • Start date: March, 2012  
  • End date: December, 2017  
  • Beneficiary: Municipalities, NACHP, GNTA |

## Loan (Million USD)

- **60.0** WB LOAN
- **15.0** Government Contribution

[Image of MDF Municipal Development Fund of Georgia]
Urban Regeneration of Telavi and Kvareli Towns

**General Scope of the Project:**

**Telavi**
- Urban Regeneration including Rehabilitation of 156 buildings on main streets. Rehabilitation of Streets, arrangement of sidewalks, squares, bicycle lanes.

**Kvareli**
- Rehabilitation of central roads, arrangement of sidewalks and bicycle lanes. Revitalization of the town center.
- **Project Cost:** 72,5 mln GEL
Regional Development Project (RDP) – Key Investments
Rehabilitation of Cultural Heritage Village Dartlo

General Scope of the Project:

• Rehabilitation and restoration of 51 residential houses;
• Project Cost: 3,7 mln GEL
Regional Development Project (RDP) – Key Investments

Rehabilitation of King’s Palace and Construction of Telavi Historical Museum

General Scope of the Project:

Erekle II King’s Palace
- Restoration and rehabilitation of King’s Palace;
- Project Cost: 1.9 mln GEL

Telavi Historical Museum
- Construction of new museum with three exhibition halls, two cafes and amphitheater;
- Landscaping of Batoni castle territory.
- Project Cost: 10.8 mln GEL
Regional Development Project II (RDP II)– Imereti Region (Ongoing)

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| The Project Development Objective is to improve infrastructure services and institutional capacity to support increased contribution of tourism in the local economy in the Imereti region. | **Urban Regeneration and Circuit Development** Urban regeneration of Tskaltubo Town, restoration of buildings, public spaces, museums, roads, water and sewage, enhancement of cultural and natural heritage sites. | • Start date: November, 2012  
• End date: December 2019  
• Beneficiary: Municipalities, NACHP, GNTA, National Museum, Patriarchate of Georgia, APA, etc. |
| • **Institutional Development** Support institutional capacity and performance of project stakeholders, including MDF, NACHP, GNTA, APA, GNM, etc. | Loan (Million USD) |  |

- **WB LOAN**: 30.0
- **GOG**: 9
- **WB Additional Financing**: 9.8

World Bank (WB)
Regional Development Project II (RDP II) – Key Investments

Urban Regeneration of Tskaltubo Town

General Scope of the Project:

• Rehabilitation of water supply and sewage systems; central park and the lake Tsivi territory, road pavement and the storm water drainage system of the circle road;

• Restoration of train station, theater, small size pedestrian bridges and municipal buildings in Tskaltubo;

• Construction of tourism related small sized structures in central park and lake Tsivi territory;

• Arrangement of irrigation system and landscaping.

• Project Cost: 40,5 mln GEL
Regional Development Project III (RDP III) – (Ongoing)
Mtskheta – Mtianeti and Samtskhe - Javakheti Region

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| The Project Development Objective is to improve infrastructure services and institutional capacity to support increased contribution of tourism in the local economy of the Samtskhe-Javakheti and Mtskheta-Mtianeti regions. | **Urban Regeneration and Circuit Development**
Urban regeneration of towns, restoration of buildings, public spaces, museums, roads and water, enhancement of cultural and natural heritage sites. | Start date: August, 2015 |
| | **Support to Public Private Investments (PPI)** |
| | **Institutional Development** Support institutional capacity and performance of project stakeholders, including MDF, NACHP, GNTA, APA, GNM, etc. | Project Effectiveness Date: October, 2015 |
| | | End date: December 2019 (To be extended to December 2021) |
| | | Beneficiary: Municipalities, NACHP, GNTA, National Museum, Patriarchate of Georgia, APA, Mountain Resorts Development Company, etc. |

Loan (Million USD)

- 60.0
- 15.0

- WB LOAN
- Government Contribution
Regional Development Project III (RDP III) – Key Investments

Urban Regeneration of Abastumani wellness resort

General Scope of the Project:

- Rehabilitation of selected 18 wooden houses by re-establishing their original appearance;
- Rehabilitation of water and sewage systems;
- Arrangement and improvement of the public/tourism infrastructure;
- Rehabilitation of the central three storey building of telescope AZT-11, landscaping of adjacent area and rehabilitation of existing cable car.
Regional Development Project III (RDP III) – Key Investments
Mtskheta Archaeological Museum

General Scope of the Project:

• Rehabilitation of the damaged walls, internal and external staircases;

• Complete insulation and waterproofing, climate control and ventilation;

• the maintenance of the humidity in the repository, laboratory and exposition space as needed;

• Electric supply and generators, special exhibition lightning for the exhibition furniture and space;

• Arranging the fire security and safety system and creating the scheme of evacuation;

• Landscaping of the adjacent territory.

• Project Start Date: January, 2018

• Project Completion Date: July, 2019

• Project Cost: 9,2 mln GEL
The objective of the Project is to promote sustainable wastewater management in Georgia and pilot implementation of wastewater treatment plants, aligned with World Bank safeguards policies and in harmonization with the EU legislation.

Improvement of the efficiency of the water and wastewater sector through: the rehabilitation of two wastewater treatment plants; technical assistance to the beneficiary.

- Start Date: July, 2013
- End Date: February, 2020
- Grant Amount: 10,1 mln USD
- World Bank Financing 2,3 mln USD
Georgia Solid Waste Management Project (GSWMP) – (Ongoing)

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| The objective of the project is to support the municipalities of Georgia with solid waste management. | The Project consists of two parts:  
- Purchase of Waste rear loaded compaction vehicles and waste containers;  
- Technical assistance to enhance the Beneficiaries (Municipalities) capacity in solid waste management and public awareness of sanitary handling of solid waste. | • Start Date: July, 2016  
• End Date: October, 2019  
• Loan Amount: 10 mln EUR  
• Grant Amount: 2,6 mln EUR |

- Purchased waste containers - 7,209 units;  
- Purchased solid waste collection vehicles - 144 units.
New Opportunities

Council of Europe Development Bank

Eastern Europe Energy Efficiency and Environment Partnership

Nordic Environment Finance Corporation
Rehabilitation of 25 Public Schools – (Ongoing)

**Aim**
The main objective of the project is comprehensive rehabilitation of public schools in Tbilisi and introduction of energy efficiency in the education sector infrastructure. The energy efficiency project could be replicated in other school buildings in Tbilisi and throughout the country. The project will focus on approximately 25 general education institutions.

**Scope**
Approximately 25 public schools will receive comprehensive rehabilitation – retrofitting of the structural elements of the buildings and necessary energy efficiency improvements.

**Key terms**
- Start Date: 17/03/2016
- End Date: 30/06/2021
- Beneficiary: Ministry of Education and Science of Georgia

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**Loan and Grant (Million USD)**

- CEB Loan: 14.0
- E5P Grant: 6.0
- Government Contribution: 2

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**Partners**
- Council of Europe Development Bank
- Eastern Europe Energy Efficiency and Environment Partnership
- MDF Municipal Development Fund of Georgia
Thank you