

GEORGIA · LOAN 4668 · RESULTS-BASED LENDING

Clean, Local, Equitable Access to Reliable Water

The CLEAR Water Program — Georgia's first results-based loan

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WATSAN Community of Practice · 30 September 2026

CONTEXT

ADB in Georgia



Two flagship urban water and sanitation operations precede CLEAR:

USIIP MFF

\$500M

ADB only · March 2011 – June 2024

SDP

\$150M

ADB only · November 2021 – June 2027

CONTEXT · URBAN

Water supply in Georgia — urban

United Water Supply Company of Georgia (UWSCG), the key implementing agency

100%

urban coverage — on track to be met by 2027

~\$1B

invested up to 2025

~\$1B

still needed in 2025–2030



Water supply in Georgia — rural

1 in 4

rural households have a piped household connection

73%

of those connections have only intermittent supply



Unsafe individual wells

Water of uncertain quality, prone to contamination, with poor health outcomes



Women carry the burden

Typically responsible for collecting, storing and keeping household water safe



Exposed to shocks

Disasters, temperature extremes and complex, hard-to-reach terrain



PROGRAM SCOPE AND RESULTS

From national ambition to household taps

IMPACT

Universal and equitable access to safe and affordable drinking water services in Georgia achieved by 2030



OUTCOME

Safe, reliable and resilient water supply services established in targeted rural areas of Georgia



DLI 1

50,000+

households with new or improved **24/7 access** to safe drinking water

Outputs and disbursement-linked indicators



Output 1 · Climate- and disaster-resilient infrastructure

- DLI 2** Detailed engineering designs for **100+ rural settlements**, 51 with environment and climate-responsive measures
- DLI 3** Climate- and disaster-resilient safe drinking water systems **built in 100+ rural settlements**

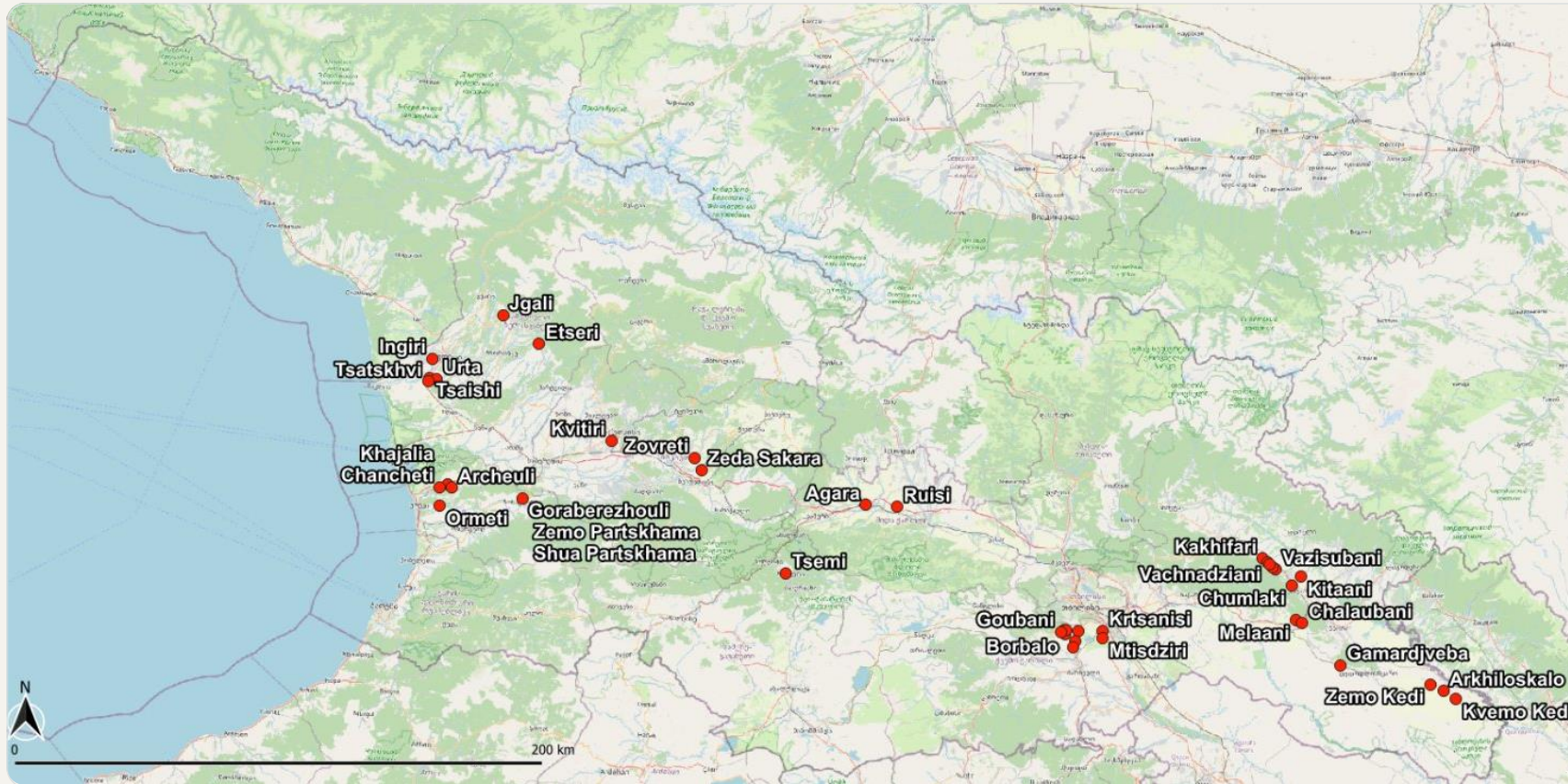


Output 2 · Institutions and governance for water services

- DLI 4** Affordable payment schemes for household connections, uptake reported by sex
- DLI 5** O&M regulations for safe water systems, including digital tools, approved and implemented
- DLI 6** 70+ settlements reached by awareness campaigns on water conservation and climate
- DLI 7** National WSS Framework with financial forecast beyond 2030, approved and disclosed by MOI
- DLI 8** Consultative, transparent PIM protocols guiding UWSCG investment decisions

PROGRAM SCOPE AND RESULTS

Program benefits spread across Georgia



Why results-based lending?

01

Promotes a **results and reform culture** and provides incentives for performance

02

Bolsters **country systems** and implementation capacity

03

Uses finance more efficiently — **flexibility** to adjust and replace subprojects during implementation

SETTLEMENT SELECTION CRITERIA

- ✓ **Complementarity with past and ongoing projects**
- ✓ **Social and economic impact**
- ✓ **Willingness to connect and pay**

THE MODALITY

ADB's value addition



Safeguards SOPs

Gap-filling standard operating procedures that build country-wide institutional capacity



Climate resilience

Climate change mitigation and resilience features built into designs and design standards



A stronger SOE

O&M regulations with digital tools and stronger capacity in field offices



Gender baselines

Establishing baselines for gender considerations



A systems approach

Coordination with the Ministry of Economy's spatial planning and tourism strategy, financed by an ADB project

Lessons and experience

1 Unplanned TA needs

Several gap-filling measures had to be financed through TA, which was not anticipated

2 Gender targets without baselines

Rigid requirements (50% outcome indicators, 50% gender-affirmative "strong" DLIs) versus a lack of baselines

3 Client capacity

Limited HR capacity; the lack of supervision consultants is perceived as a burden

4 Market response

Slow

THANK YOU

Madloba!

მადლობა!

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Principal Urban Development Specialist · Georgia Resident Mission, ADB



UWSCG at a glance

381,000

3,200

GEL 2.1 bn

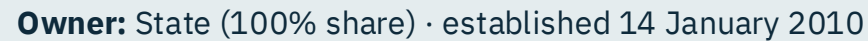
53

10

56

60%

2010



Founding entity: Ministry of Regional Development and Infrastructure of Georgia

Main activities: water production, treatment and supply; sewerage services; design, construction and O&M of water supply and sewerage networks; water quality control