

ALLIANCES CAUCASUS PROGRAMME

Impact Assessment

AJARA

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SECTION 1: OVERVIEW OF THE IMPACT ASSESSMENT

The Alliances Caucasus Programme in Ajara region is an SDC funded Mercy Corps Georgia implemented market development programme run in accordance with the M4P approach working in the dairy, beef and honey value chains. The first phase started in March 2014 and continued till April 2017. The total number of rural households, who were potential beneficiaries of the programme, amounted to 26,895 HHs¹.

The Impact Assessment Survey of the programme was carried out in May 2017. The detailed methodology for the survey can be found in Annexes A and B at the end of the document.

The objective of the study was to assess the programme effect on major target beneficiaries: i.e. small scale livestock producers in the Ajara region. The programme was designed to impact a large number of beneficiaries i.e. Small Scale Livestock Producers (SSLP's) through leveraging entry points with private sector and government market actors; however along with farmers the programme has impacted other market players in target sector (copying and crowding in) and as well effecting broader sector development. Therefore, the study aimed to summarize all sizable effects on the livestock sector (For more information see annex B7).

The main data source of this analysis is the 'May 2017 Impact Assessment Survey (farmer level)'; however, for further justifying of the programme attribution, triangulated data from four different sources results were used:

1. *Programme clients' data* - for business related financial indicators;
2. *Annual qualitative impact assessment data per intervention* - for further justifying the programme attribution (farmers are asked directly how beneficial the intervention was for them);
3. *Mini surveys' data*
4. *National statistics Office of Georgia* - for capturing the programme contribution in the sector development².

Statistically representative information was collected from: 242 women (60%) and 158 men (40%). The majority of respondents (the most informed persons within the households regarding agriculture) were above 41. The average size of household is 5.02. (For more information see annex B)

¹ Census 2014: There are 33,619 rural households in Ajara, however, 26,895 are involved in agriculture. Thus, the percentages of measuring the scale are against this number: 26,895 rural households.

² <http://geostat.ge/>

KEY FINDINGS OF THE RESEARCH

- Up to **83% (22,189 HHs)** of the target rural population used at least one of the programme facilitated services, including information;
- Up to **52% (13,986 HHs)** of the target rural population used at least one of the programme facilitated services, without information;
- Up to **42% (11,363 HHs)** of the target rural population generated tangible positive income change due to the programme facilitated services;
- In total, farmers' net additional attributable income from 2014 to 2016 amounted **2,082,257 Gel / 870,542 USD³**;
- There was obvious synergistic effect: There is positive linear relationship between number of interventions used and generated additional monetary income. E.g. Those households who used only one intervention had **705 Gel / 295 USD** income from livestock related activities, while for those who used more than three interventions income amounted more than **3,038 Gel / 1,270 USD**;
- From 2014 to 2016 number of cattle (On average: **3.36** including cow, bulls, calves) and amount of land cultivated (On average, **0.67 ha**) for hay making remained almost the same across the entire population.

TABLE 1: SUMMARY OF THE RESULTS IN AJARA REGION		<i>From 2014 to 2016</i>
Scale: Number of beneficiaries served <i>(direct beneficiaries & outside programme area & export)</i>	Rural households served	22,189 (83%)
	Rural households served (without information)	13,986 (52%)
	Average % of Rural households with women members served (average across all interventions) (Without information)	64%
Net attributable income generated for programme beneficiaries - GEL	For all Households served	2,082,257 Gel (870,542 USD)
# of programme clients		26
# of programme supported entities ⁴		134
Net attributable income generated for the programme clients		403,690 Gel (168,773 USD)
# FT Job equivalents		100 (39 women / 61men)
NAIC generated for employees		833,582 Gel (348,500 USD)
Indirect Benefits of the Interventions: # of entities ⁵		6

³ According to the National Bank of Georgia, in 2016 average exchange rate from Gel to USD was 2.39.

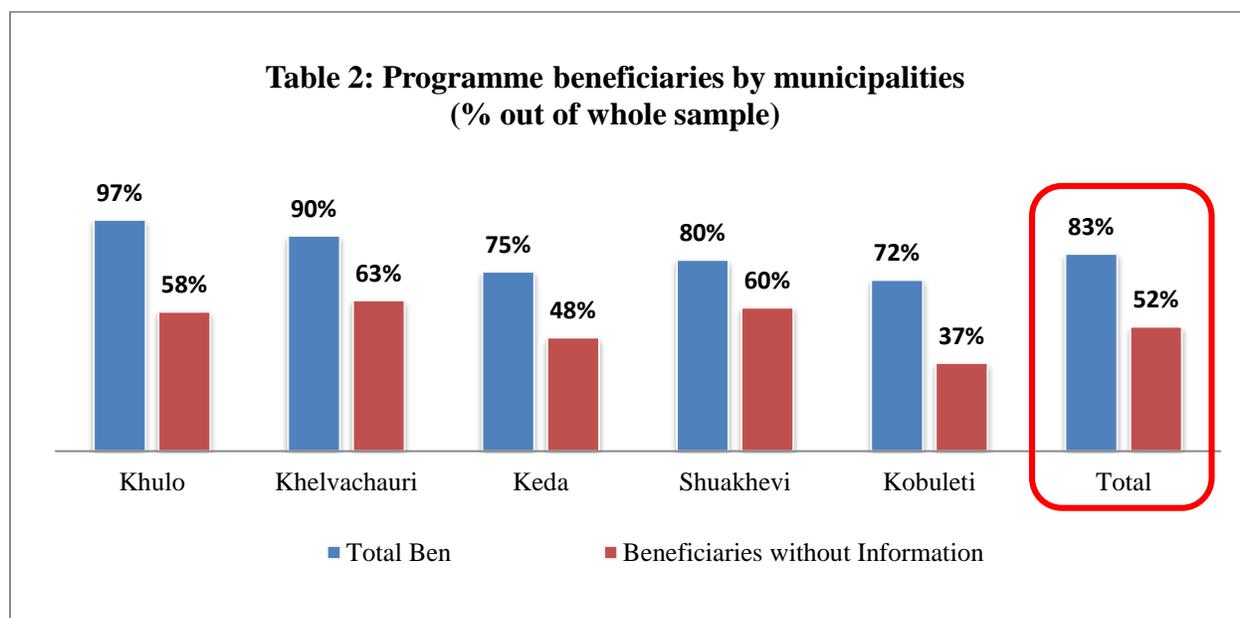
⁴ Vet pharmacies, Satellite vets, bull service providers (SP's), machinery (SP's)

⁵ The impact of the crowding in will be calculated in the next phase of the programme, because they have not started working yet.

SECTION 2: PURPOSE LEVEL IMPACT

In Ajara region **22,189 (83% of entire population)** rural households⁶ used at least one of the programme facilitated services or goods. However, 31% of the households watched / read only information and did not use other programme facilitated services, thus they did not get monetary benefits. Therefore, benefits are calculated only for those households (**52%, 13,986 HHs**), who used at least one of the other programme facilitated services as well⁷. On average **64%** of the users were women independently per intervention or together with other HH members. **11,363** (42% of entire population) rural households generated tangible positive income changes and benefited financially (151 Gel per HH's in 2016) from the programme through direct interventions facilitated through **26** clients and **134** supported entities. To sum up the impact from 2014 to 2016, direct beneficiary farming households of the programme generated additional **2,082,257 Gel / 870,542 USD**.

The programme covered all **62** communities in the area by the facilitated services, i.e. in each community there is at least one person who used the programme facilitated services. **52%** of the total rural households used, on average, two ALCP facilitated services. In Khulo and Khelvachauri municipalities more than **90%** of the population is the programme beneficiaries. In the rest of the municipalities the same percentage amounted **70%**, on average (See table 2).

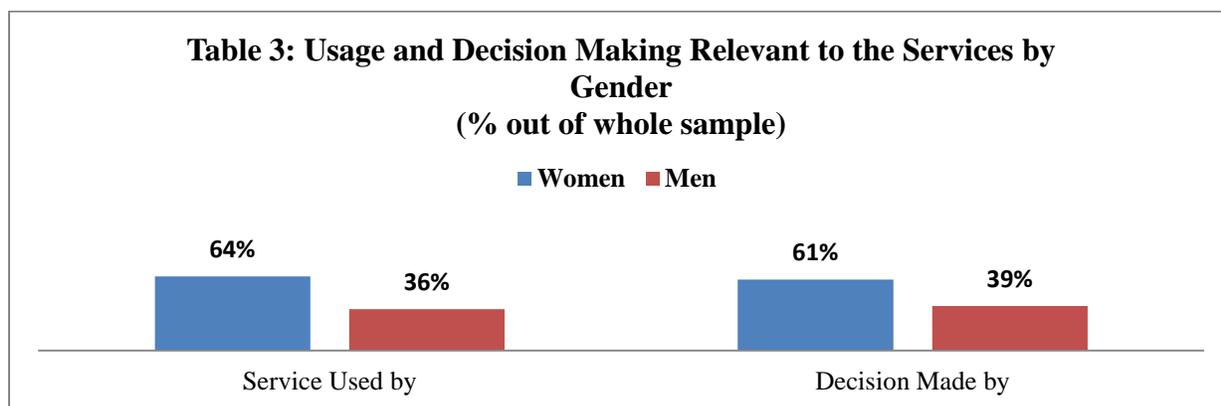


⁶ According to the census 2014 the target population of rural households of Ajara region amounted 33,619 HHs. This figure decreased by 24% compared to the census 2002.

⁷ Thus, beneficiaries mentioned across the text includes this group 52%, 13,986 HHs who used at least one of the other programme facilitated services as well

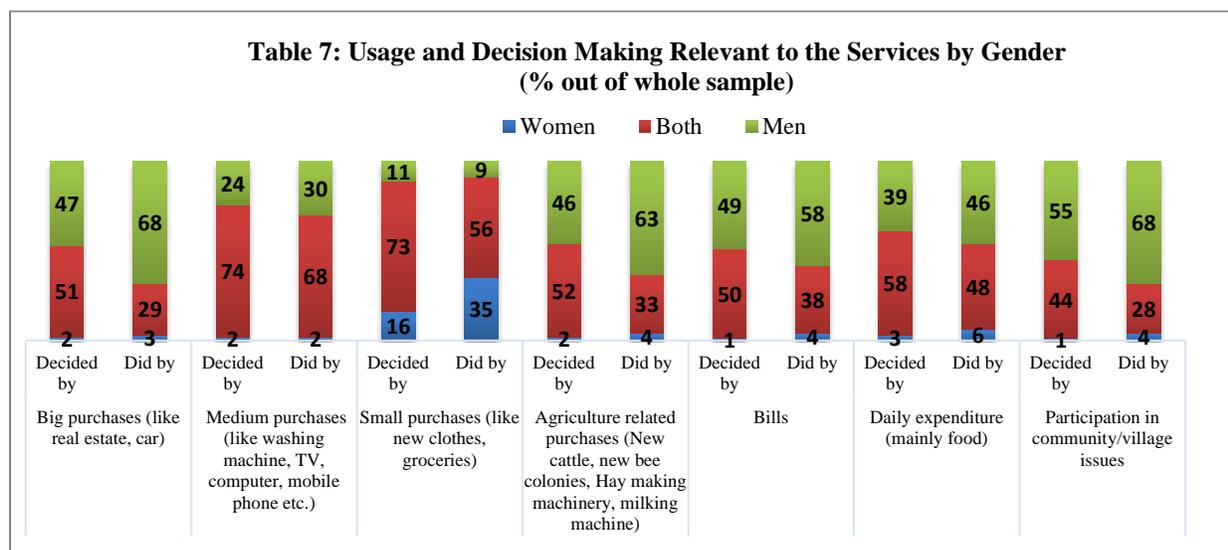
2.1. GENDER USAGE PER INTERVENTION

From 2014 to 2016, average percent of women using the ALCP facilitated services independently or together with other HH members is **64%**. Women are also involved in the decision making in context of usage of services: On average, in **61%** of the households decisions are made by women or together with other households' member (See table 3).



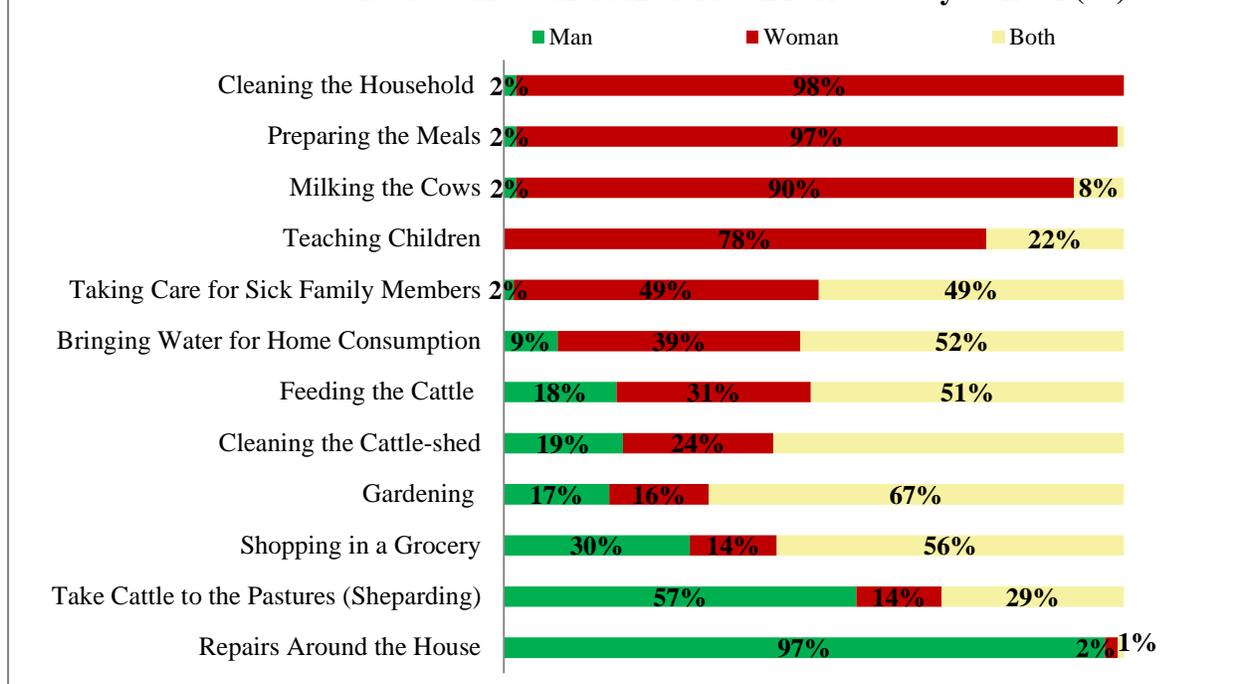
GENDER & WEE

In **45%** of the households women manage the household budget independently (9%) or together with other households members (36%). Furthermore, in **61%** of the households women are involved in decision making process regarding the household's purchases and in **51%** of the households women do buy the items / services independently or together with other household's members (See table 7).



However, the research found that the household activities are unequally distributed between men and women: women are responsible for independently doing most frequent and difficult household chores (cleaning the house, preparing the meal, etc.), while men are mainly responsible for repairing houses and to taking cattle to the pastures. This gender bias remained the same within the beneficiary and non-beneficiary group as well. (See table 8)

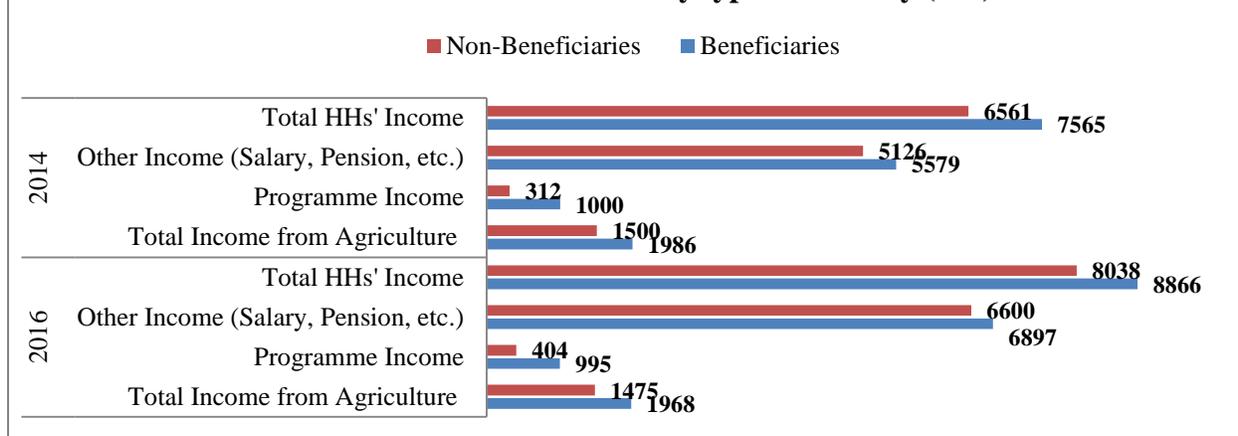
Table 8: Household Activities Distributed by Gender (%)



2.2 NET ADDITIONAL INCOME GENERATED BY THE PROGRAMME

In 2016, in Ajara region, the ALCP beneficiary farmers generated **1,717,689 Gel / 718,125 USD** net additional attributable incomes (See table 4).

Table 4: Households' income by types of activity (Gel)

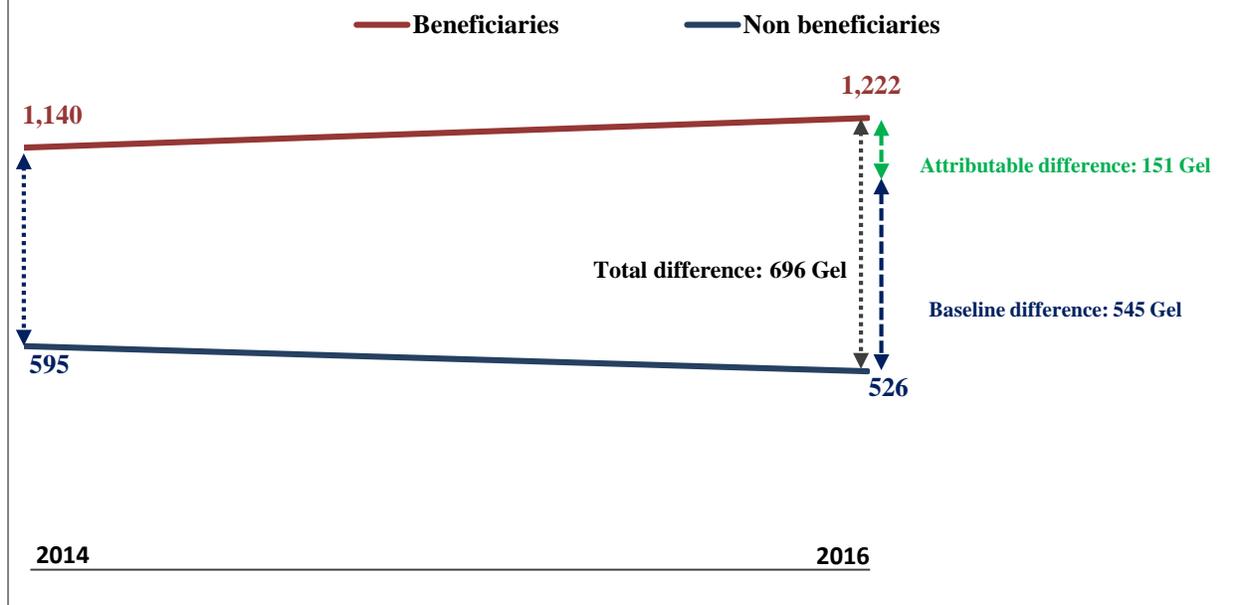


As the figures show, the income is not much increased across the entire population, but the programme beneficiaries were far more resistant to the fluctuations of economy, than non-beneficiaries: from 2014 to 2016, livestock husbandry related income for the beneficiary households has been increased by 8%, while non-beneficiary households witnessed the decrease in income (-11%). (See table 5⁸).

⁸ Baseline difference is which already existed in 2014.

Table 5: Net attributable Income Generated by ALCP WG in 2014-2016

*In total 11,363 HHs Generated 2,082,257 Gel
Per household: 151 Gel*



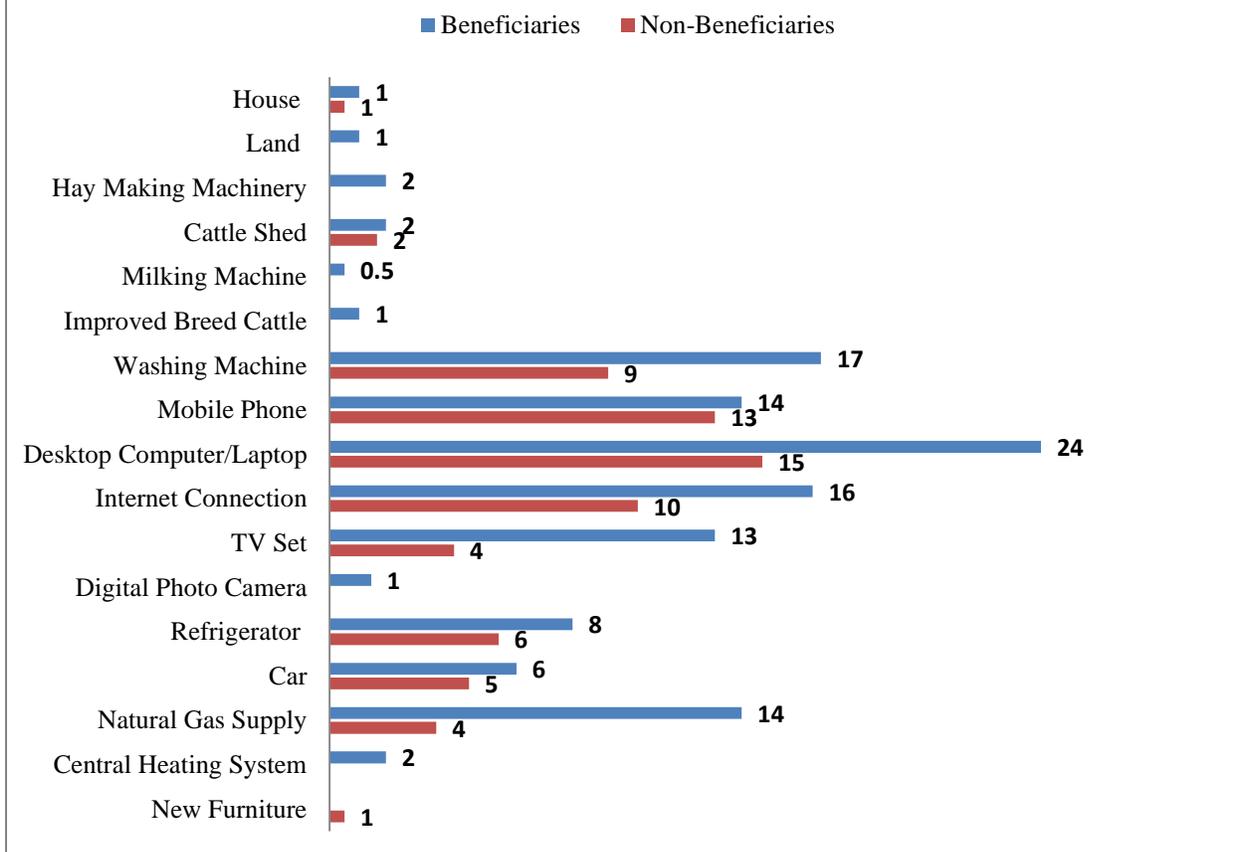
In total, from 2014 to 2016 net additional income for beneficiary households amounted in **2,082,257 Gel / 870,542 USD**.⁹ Also, the programme has generated **403,690 Gel / 168,773 USD** NAIC for the clients / supported entities and **833,582 Gel / 348,500 USD** for the employees. Thus, in the 1st phase of the programme the ALCP created **3,319,529 Gel / 1,387,815 USD** additional attributable incomes.

Proxy indicators

In addition, proxy indicators also show that those who used the ALCP financed services had better economic situation, then those who did not use the services. For instance, the beneficiary households have better purchasing power as well: during 2014 to 2016 they bought more items than non-beneficiaries. (See table 6). They mostly purchased household appliances such as: washing machine (17%), mobile phone (14%), desktop computer (24%) and TV (13%).

⁹ Income in 2016 is calculated from impact assessment and amounted **1,717,689 Gel / 718,125 USD**, while income from 2014-2015 is estimated from monthly collected data and amounted **364,568 Gel / 152,417 USD**.

**Table 6: Items Bought by Rural HHs after 2014
(% by Beneficiary and Non-beneficiary Groups)**



Household debts and saving¹⁰

Also, in 2016, **37%** of the households have credits / debts¹¹, and only **2%** from the beneficiary creditors had serious problems with loan repayment (delay for more than one week or stopped repayment).

2.3 SUSTAINABILITY OF THE RESULTS

Business profitability - The aggregated NAIC / profit for the programme clients comprises **403,690 Gel / 168,773 USD**. But the return on investment, profitability of the businesses and forecasts vary from sector to sector. Table 7 below displays the profitability and returns on the investments generated by the service providers: ¹²

¹⁰ This section was added because of the recommendations from the Outcome Harvesting research in Tsalka, which outlined the importance of closely monitoring lending patterns, household debt, default rates and house prices & farmers purchasing power of it.

¹¹ In this regards, currency crisis is not effected for these households, because 95% of them have loans in Gel, only 3% have in USD.

¹² The ALCP experience from KK and SJ showed that ROI needs at around 5 years to become positive, thus, it is expected that ROI in AJ will be positive in the next phase of the programme.

Table 9: Description of the Effectiveness of Interventions for Each Sector

		Veterinary	Breeding	Meat sector	Dairy sector	Honey Sector	Total
By the end of the project	Clients' ROI - to date	-92%	162%	2%	-108%	-64%	-68%
	Sustainability index ¹³	72%	35%	63%	70%	51%	

Business model Replicability (Systemic Changes) - Crowding in: 6 entities have copied the intervention model or part of the intervention model and have entered the market system at the service provider level: 1 vet pharmacy, 2 Milk processors and 3 Festivals (“Gandagana Festival”, “Fish Festival”, “Honey Festival”). So far, monetary benefits are not calculated, because the milk processors are under construction and vet pharmacy has just started operating.

Changes in the amount of money invested in livestock sector and in a number of animals possessed by farmers – The rural population and labor power in Ajara is decreasing, however the agriculture production is not decreasing accordingly¹⁴. Also, in 2014-2016 many farmers sold their cattle due to the high demand from the intermediaries from Azerbaijan and Turkey¹⁵, as they pay around 30% more per kg. Nevertheless, the farmers maintained the same number of cattle and same amount of land cultivated for hay making¹⁶ (See table 12 & 13).

Table 10 (Average out of the total sample)	2016		2014		Difference (2014 to 2016)	
	Beneficiaries	Non-Beneficiaries	Beneficiaries	Non-Beneficiaries	Beneficiaries	Non-Beneficiaries
Cow	1.99	1.55	2.32	1.68	-0.33	-0.13
Bulls	0.07	0.02	0.09	0.04	-0.02	-0.02
Calves(bullocks and heifers)	1.35	1.14	1.35	1.18	0.00	-0.04
Other Adult cattle(buffaloes, horse etc.)	0.01	0.01	0.01	0.01		
Sheep/Goat		0.02				0.02
Pig	0.01	0.01	0.00	0.02	0.01	-0.01
Bee colonies	2.87	1.25	2.60	1.96	0.27	-0.71
Table 11	2016		2014		Difference (2014 to 2016)	
	Beneficiaries	Non-Beneficiaries	Beneficiaries	Non-Beneficiaries	Beneficiaries	Non-Beneficiaries
Amount of land cultivated for hay making	1.19	0.11	1.18	0.12	0.01	-0.01

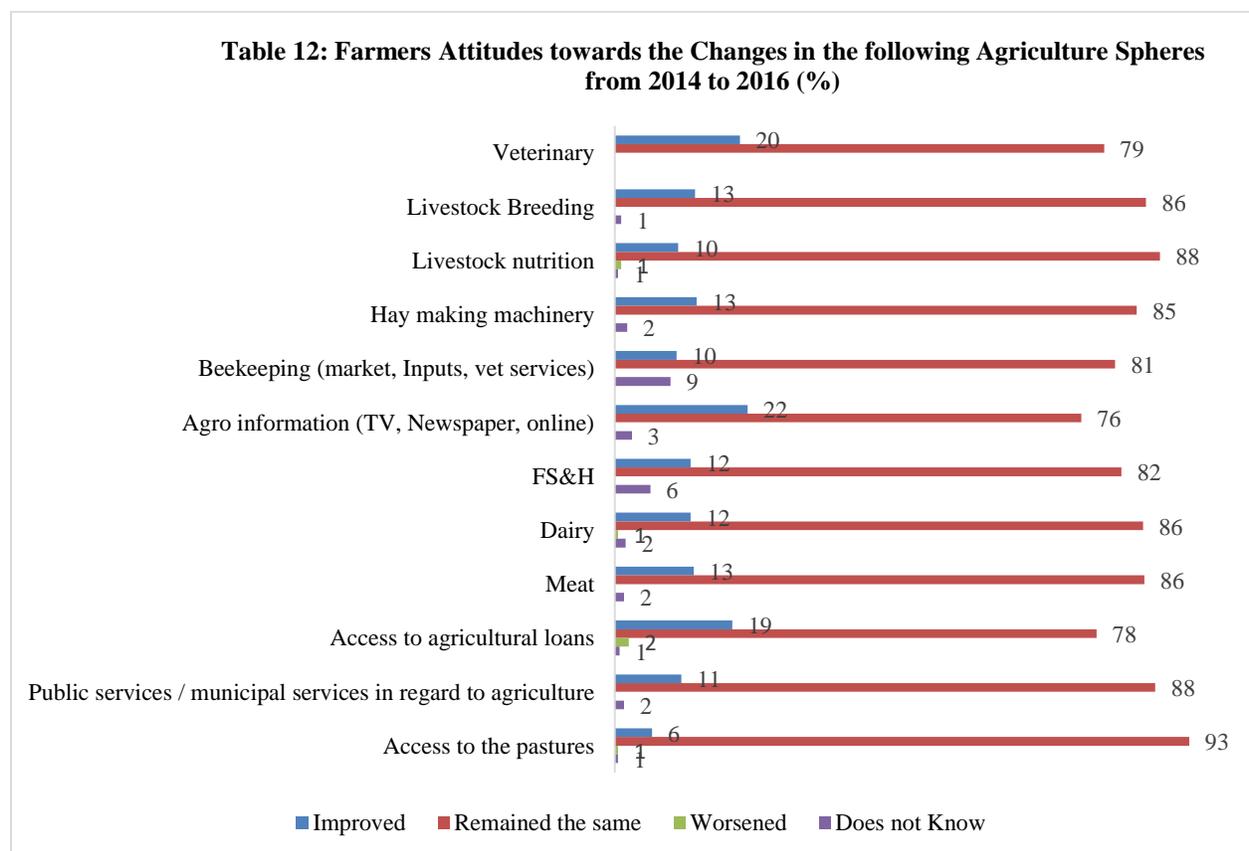
¹³ Where 1% means non sustainable at all and 100% means absolutely sustainable. For further details, please see annex C.

¹⁴ From 2002 to 2014 the rural population of Ajara reduced by 34%, while the same percentage across the country is 10% lower (24%), 2014-2016????

¹⁵ The foreign intermediaries are mostly coming during the winter period, when farmers are more likely to sell their cattle to avoid winter feeding costs.

¹⁶ As farmers did not increase the number of cattle and did not need more hay for cow-shed feeding, they did not increase the amount of land cultivated for hay making accordingly.

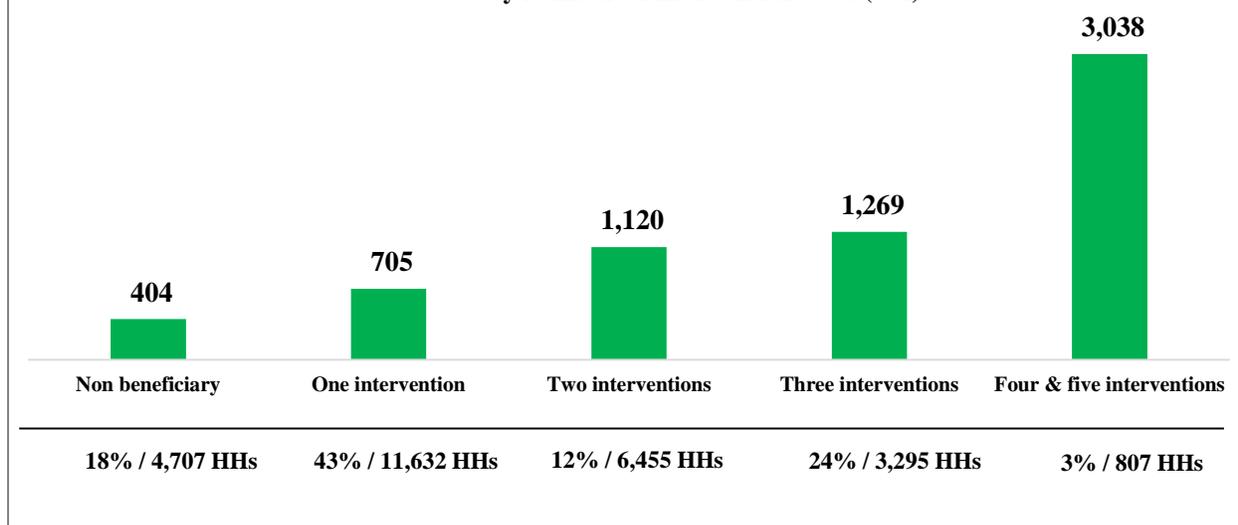
Most of the farmers think that the agriculture sector remained the same during last two years. However, more farmers think that the agricultural sector has been improved (14%) than worsened (1%). Out of those who think that positive changes were occurred 32% made investment in livestock (See table 12).



2.4 THE EFFECT OF THE SYSTEMIC APPROACH

The structure of the programme is built in a way to generate poverty alleviation as the result of market-system changes brought through three different systemic channels, each impacting and contributing to the programme goal differently, and the synergy of these outcomes reinforces the effects of each intervention. Interventions in Ajara were intentionally clustered to produce synergy, i.e. supporting functions i.e. inputs; veterinary, breeding, nutrition, and information were made available to villages supplying milk to a factory as were governance related activities. The data shows that using programme facilitated services are correlated with higher income from agriculture. Also, this correlation is linear and proves the success of the ALCP interventions: The more services farmers use, the more income they generate (See table 13). This trend was captured in Samtskhe-Javakheti and Kvemo Kartli as well.

Table 13: AJ: Average Annual Income of the HH from Livestock Related Activities by Number of Intervention Used (Gel)



SECTION 3: PROGRAMME ACHIEVEMENTS TOWARDS OUTCOMES – OUTCOME 1

3.1 OUTCOME 1: *Increased outreach, information dissemination and quality of target services to SSLP's; increasing access and enabling SSLP's to make informed decisions on animal health, breeding and nutrition*

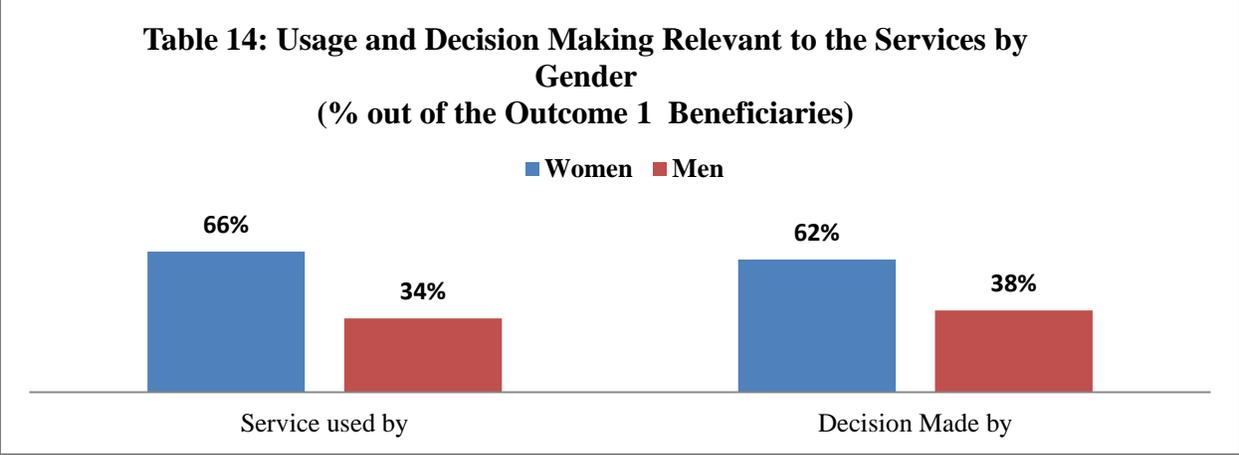
Outcome 1 has addressed the main constraints in supporting functions to the livestock sector (veterinary, breeding, nutrition, information); which forms the constraints to the delivery of services and inputs to core market players for cattle, meat and dairy production.

Outcome 1 reached the largest scale. It covered 48%¹⁷ of the target households and overlapped 88%¹⁸ of Outcome 2 / Outcome 3 beneficiaries.

In 66% of the households women and men use Outcome 1 services together and decisions over use of the services are made jointly in half of the households. However, in terms of using services alone in the HH such instances are less common for women than for men. For further details, see the table 14 below:

¹⁷ 48% is without information. Otherwise this number would be 81%.

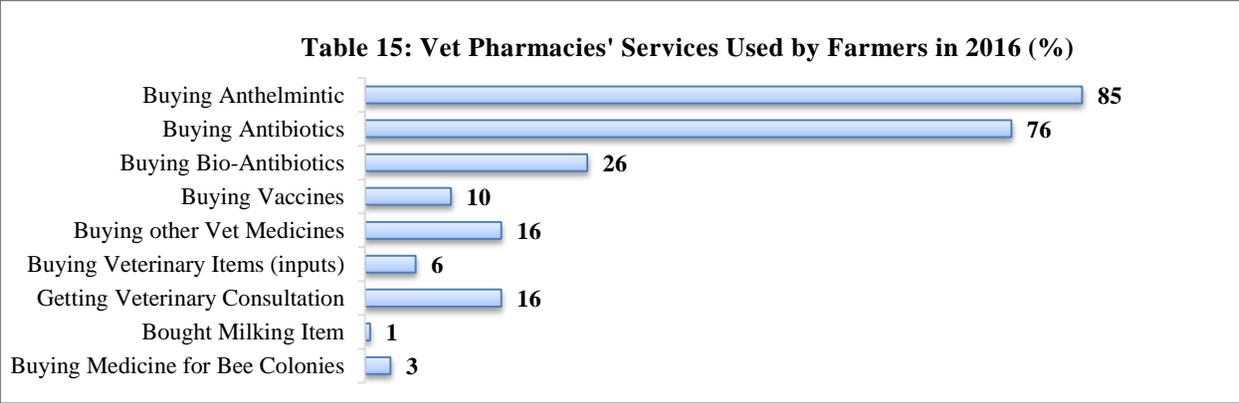
¹⁸ 88% of those who used outcome 2 / 3 services also used outcome 1 service as well.



3.2 OUTPUT 1 1: Facilitated improvements to business practices and outreach of animal health service & input providers to access wider SSLP markets with affordable, appropriate and quality products

The programme facilitated one systemic market intervention with national veterinary input supplier and exporter ROKI and 12 local vet pharmacies in Ajara. In the region, where practically no professional vet services were available before, 100% of farmers have access to the programme facilitated services within their communities and in total 46% (12,305 HHs) of the target households use the services.

Farmers get a variety of services in the vet pharmacies: In 2016 most often customers visited vet pharmacies to buy anthelmintic (85%), antibiotics (76%) and bio-antibiotics (26%) (See table 15).



In 72% of the households the vet service is used by women independently or together with other household members. Farmers positively evaluate the vet pharmacies and 96% of them mentioned that they will use the service in the future. Among the reasons of choosing the programme facilitated service, most farmers mentioned that these vet pharmacies are near located (57%), the quality of vet medicines is higher (16%), they have better service, consultation (7%) and prices are better (7%).

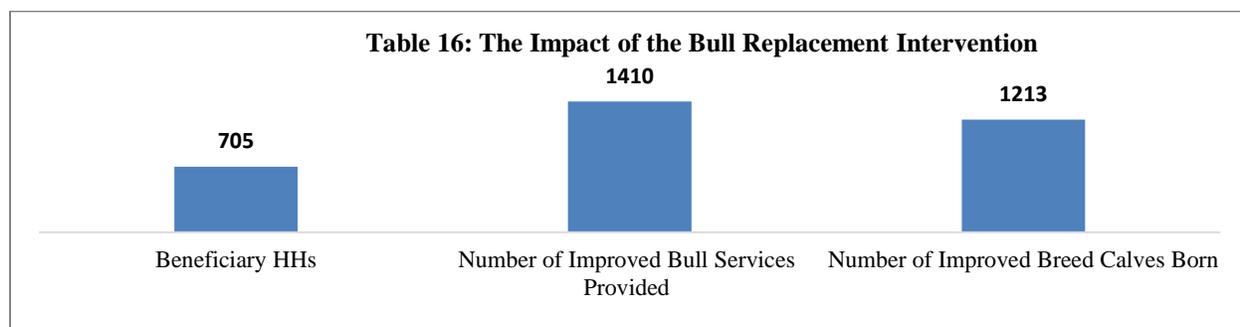
The easy access to the vet pharmacies is being reflected on increased demand on the services. On average, one household visits a vet pharmacy 3.5 times a year and in the case of need 71% of

them have contact information of the vets to call and ask for the consultation. Also, 25% of farmers vaccinate their cattle by their own expense except of the governmental vaccination programme.

3.3 OUTPUT 1.2 *Facilitated improvements to business practices and outreach of livestock breeding service providers to access wider SSLP markets with affordable and appropriate products*¹⁴¹⁹

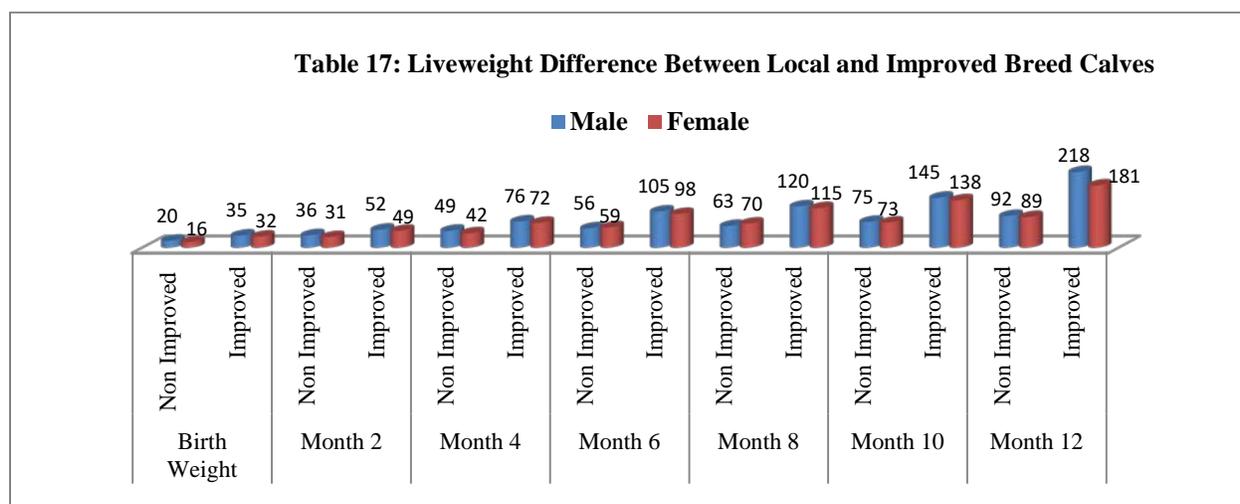
The programme started replacing local bulls with improved ones through providing co-investment in the purchase of improved bulls. The 69 improved bull owners sent the bulls to a community herd and thus facilitated other farmers’ access to the improved bull service.

3% (705 HHs) of farmers in the region used the service, however the actual impact of the intervention is higher when we look at the number of improved breed calves born: On average 2 cows were inseminated by per household, which means that improved bulls inseminated around 1,410 cows and as the result 1,213 calves were born (See table 16).



The programme conducted an experiment to study the benefits of the improved breed calves. Compared to the local breed cattle, improved ones have better live weight.

In particular, improved breed calves weight 17 kg more right after the birth and this difference increases to 73 kg after 12 months. (See table 17)



¹⁹ As the impact of this intervention could not capture through this impact assessment, this data is estimated based on ALCP monthly collected data.

So, the benefits of the improved breed cattle are obvious: All of the users of the service reported that they are going to use the service in future and also, they will suggest others to use the service as well. However, some of the farmers are still skeptical regarding it. Among the reasons for not using the service they mentioned that they do not need the service.

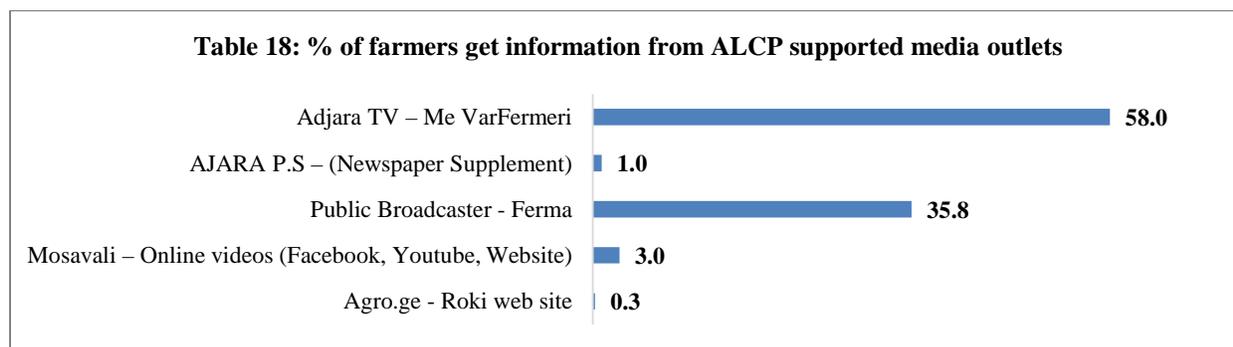
Breeding is predominantly a male dominated sphere and only in 20% of the households women use the service together or with other household members.

3.5 OUTPUT 1.4 Facilitated improvements to access of SSLPs to appropriate information on agricultural practices, market prices, DRR and local self-government

The programme has facilitated two information channels to provide agro content for the farmers in Ajara. These are local newspaper “Ajara P.S” and local TV “Ajara TV”. In Ajara prior to the intervention there was only one agricultural programme broadcasting on Ajara TV, but with no information about the livestock husbandry, veterinary, food safety and hygiene and other livestock related issues.

In rural households the main source of agricultural information is TV (84%). Online media is very popular among the **urban** population and more than 50,000 people watch agro videos on YouTube and Facebook²⁰. However currently only 3% of **rural** households get agro information from online media, but it is highly expected that, this number will be increased, because the number of households with internet access, which has been almost doubled during last two years (from 16% to 30%).

So far, in Ajara, 66% (17,616 HHs) of the target households get agro information from ALCP supported entities. The majority of farmers watch agro programme “Me Var Fermeri” broadcasting on Ajara TV and “Ferma” on the Public Broadcaster (See table 18).



On average, 2.2 people watch / read agro information per household and they share new information with 1 person outside the family. As a result 21% of the beneficiaries have adopted new practices and 81% of them find these new practices beneficial for their production. However, the data indicates that agro information helped farmers to generate monetary benefits if only it is combined with other programme facilitated services.

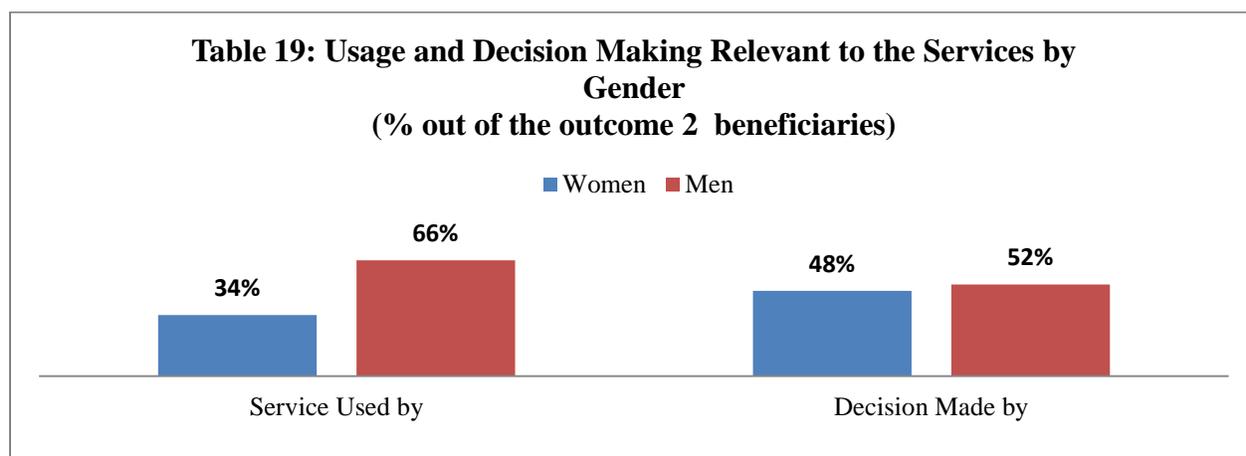
²⁰ This data comes from the ALCP clients.

SECTION 4: PROGRAMME ACHIEVEMENTS TOWARDS OUTCOMES – OUTCOME 2

4.1 OUTCOME 2: *Market Access & Terms of Trade are made more advantageous for small-scale livestock producers*

Outcome 2 developed access to the **Core Market** for milk, meat and honey suppliers and worked with cross-cutting rules related to food-safety and hygiene.

From 2014 to 2016 Outcome 2 covered 11% (2,329 HHs) of the target households. On average, in 34% of the households women are engaged in the process of selling the agricultural products independently or together with other household member. Though, decisions over use of the services are made jointly (See table 19).



Compared to the outcome 1, outcome 2 has lower scale but it is the core market for generating net additional income for farmers. We cannot disaggregate NAIC per outcome²¹, however the data shows that almost everyone (79%) who used outcome 2 interventions generated additional income.

4.2 OUTPUT 2.1: *Increased awareness & adherence of value-chain actors to food-safety, hygiene and management standards and best practices facilitated*

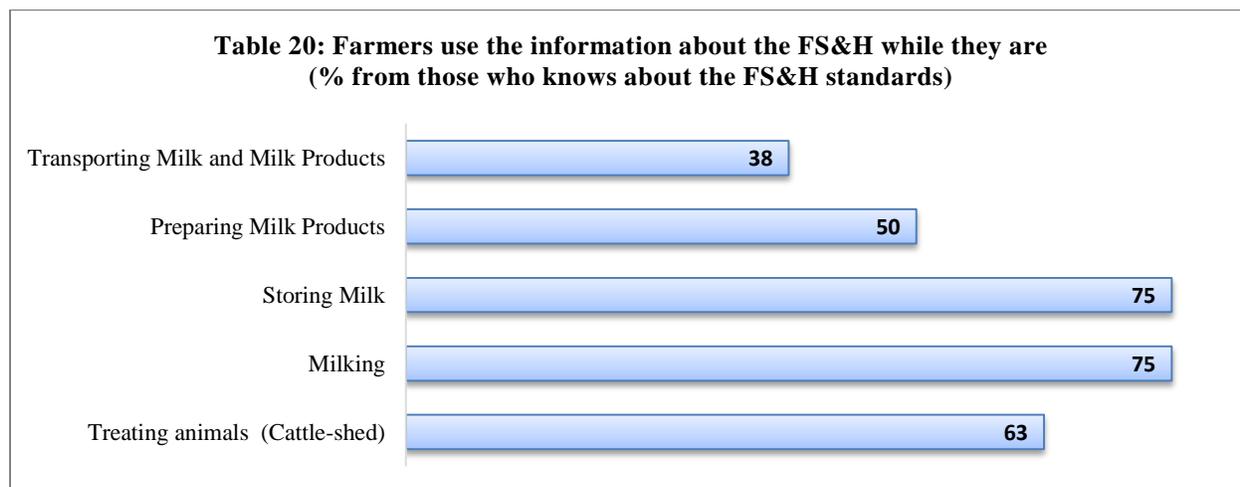
ALCP has established a new player for regional Food Safety and Hygiene, Star Consulting Company to increase and improve awareness of the cheese factories in Food Safety and Hygiene through capacity building trainings (with factories, Batumi Agri Market²² and Farmers), later these entities trained the raw milk supplier women on Milking and other FS&H topics. Also information on Food Safety requirements are spread through Newspapers, Media and Brochures / Leaflets.

²¹ Because of the huge overlap rate: 88% of outcome 2 beneficiaries used outcome 1 interventions as well.

²² Batumi Agri Market that is the largest wholesale trade place not for only Ajara region but for all West Georgia and is a hub for agricultural products did not comply with FS&H standards and was under the risk of closure. In order to improve image of Batumi Agri market + stimulate supply of FS&H compliant livestock (dairy) products and increase income for local small-scale livestock producers the programme co-invested in infrastructure development of BAM's cheese section and awareness raising of local population and stall holders. In total, 7 FS&H trainings were conducted for BAM' staff and stall holders.

23% of the farmers are aware of the new food safety and hygiene regulations, out of whom 17% (4,572) got information from the ALCP supported interventions.

Most of the farmers who know about FS&H feel confident about it: 75% of them mentioned that it is easy to follow new regulations. Furthermore, who know about the standards, use this information while they are treating cattle, milking cows, storing the milk, preparing the dairy products and transporting milk or cheese (See table 20).



Still, there is big room for development as well, because 50% of the farmers reported that they want to have additional information about FS&H.

Also, the ALCP financed the National Food Agency to register farmers' cattle into a data base. So, far 77% of the rural household has already been registered.

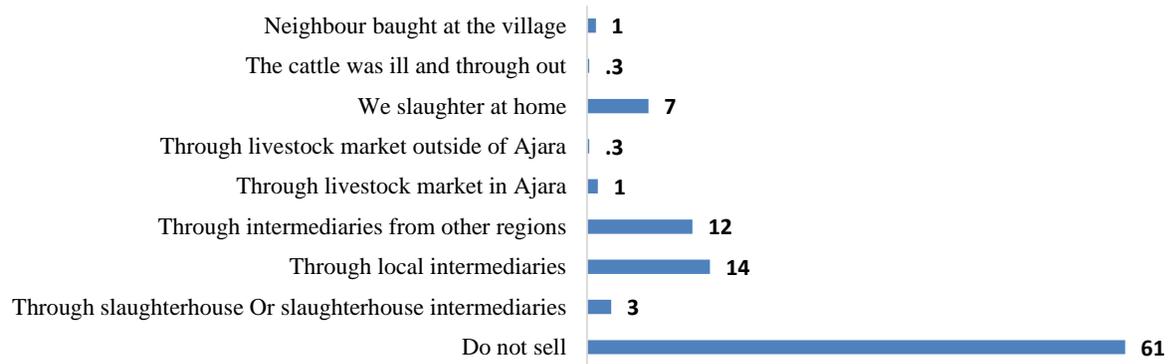
4.3 OUTPUT 2.2: Increased volume and value of trade and efficient and cost-effective access to meat products for intermediaries and processors from SSLPs facilitated – Meat Sector

The programme financed three compliant slaughterhouses, who strengthen the market through generating regular market for the selling of cattle, save time and have access to cash. Besides, it enables the beneficiaries to translate into monetary terms the benefits generated from other interventions like improved nutrition and breeding services.

4% (941 HHs) of the target households reported that they used the programme facilitated slaughterhouses directly. Apart from that, 14% of the farmers mentioned that they sell their cattle through local intermediaries, but could not specify whether they were slaughterhouse intermediaries or from the livestock market (See table 21). Thus, the actual scale of the ALCP supported slaughterhouses is likely to be higher, than 4%²³.

²³ From monthly collected that, the programme estimated 1,959 of beneficiaries based on the number of cattle slaughtered.

Table 21: The Ways Farmers Sell / Slaughter their Livestock (%)



The programme qualitative surveys have shown those intermediaries who use slaughterhouse services offer better services, prices and more reliable weighing scales (i.e. farmers are being paid for actual weight, not estimated). The farmers complained that other (i.e. from non-facilitated entities), intermediaries estimate the weight of the cattle by visual observation and they cheat the actual weight. As the impact assessment survey also shows the reason why farmers use slaughterhouse services is weighting system, reduced transportation time / cost, better (reliable) and easier selling conditions. The beneficiaries said that they would use the service in future and 60% of the beneficiaries mentioned, that they trust slaughterhouse intermediaries more than any other buyers.

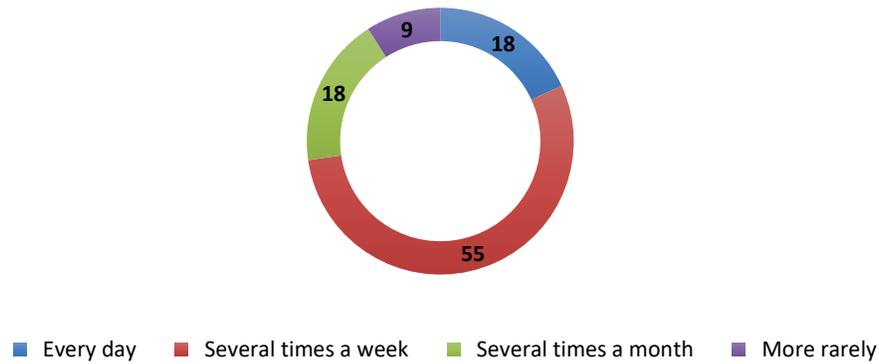
The important thing is that men are responsible to deal with slaughterhouses, however within the household women (women 67%, jointly 33%) manage the money generated by selling cattle.

4.4 OUTPUT 2.2: Increased volume and value of trade and efficient and cost-effective access to dairy products for intermediaries and processors from SSLPs facilitated – Dairy Sector

The dairy market is one of the most important fields of programme impact. The dairy interventions allow farmers to sell raw milk on daily basis, save time and have access to cash. Besides, it enables the beneficiaries to translate into monetary terms the benefits generated from other interventions like improved nutrition, breeding services and food safety and hygiene. But the key about the intervention is that, it supports farmers with limited access to money – i.e. to farmers in remote villages where informal economy and barter exchange is more common than cash exchange to have access to cash on a regular, daily basis. In most cases milk processors offer an option of advance payment to farmers, in exchange for their loyalty. They sign agreements with farmers and pay money beforehand for a certain amount of milk. This makes life easier for both sides: Farmers get the possibility to use money for improving their agriculture and milk processors have regular milk suppliers.

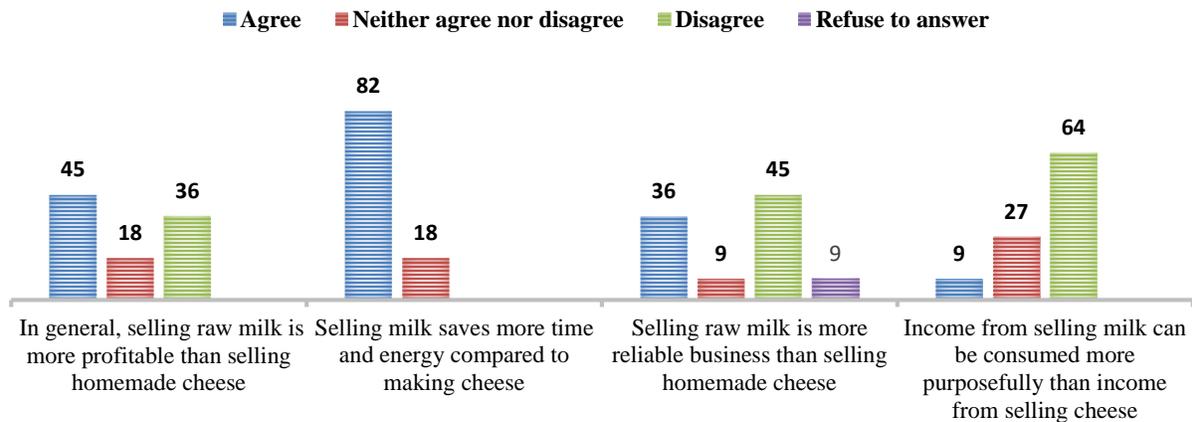
The programme has financed 2 local milk processors. The milk processors work all year round, so milk suppliers have regular access to the service. 5% (1,278 HHs) of farmers used the service. The milk suppliers have already seen the benefits of it: Most of the farmers are regular suppliers (See table 22) and reported that they continue to use the service in the future as well.

Table 22: Frequency of Milk Supplying (%)



The farmers have noticed that selling raw milk is more profitable and time saving than selling homemade cheese, however, as far as it is the first time when they have opportunity to supply raw milk, they are not still sure how reliable and effective it is for their households (See table 23).²⁴

TABLE 23: FARMERS' EVALUATION OF THE BENEFITS OF SELLING RAW MILK (% OUT OF THE MILK SUPPLIER GROUP)



The milk processors contribute to the women’s economic empowerment as well. 63% of the milk suppliers are women and in 73% of the households women are controlling the money (Independently or together with other HH members) generated by selling raw milk.

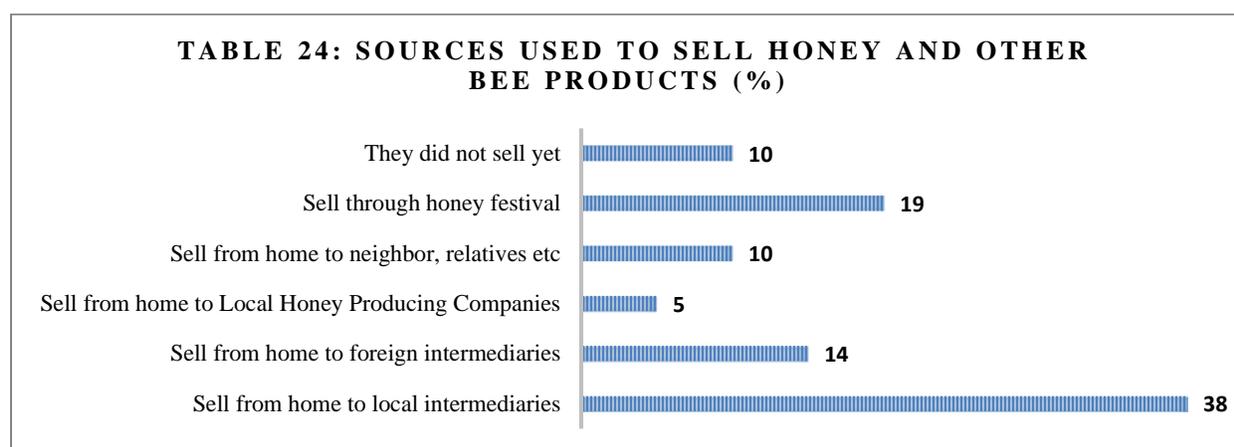
²⁴ This is the general trend which the programme captured in KK and SJ as well: First of all, farmers see monetary benefits and time saved and then they realize that selling raw milk is more reliable business as well.

4.5 OUTPUT 2.3: INCREASED VOLUME AND VALUE OF TRADE AND EFFICIENT AND COST EFFECTIVE ACCESS TO LIVESTOCK PRODUCTS FOR INTERMEDIARIES AND PROCESSORS FROM SSLP'S FACILITATED – HONEY SECTOR

ALCP programme facilitated three interventions to improve the honey sector in Ajara²⁵: Ajara Beekeepers Business Association (ABBA), which is the only corporate body that can work on the constraints of honey sector and lobby the issues that are pivotal for Ajara based beekeepers. Impervet Ltd stimulates growth and develops beekeeping in Ajara through providing quality services (inputs/consultations/medicines) for beekeepers in the region. Matchakhela Ltd has cooperation with ALCP AJ created easy honey market for Ajarian beekeepers through collecting and processing different types of honey directly sourced from the Ajarian beekeepers.

The Impact assessment showed that 5% (1,398 HH's) of the population has bee colonies, in total 54% (753 HH's) of the beekeepers used at least one of these interventions: 470 HH's brought new beekeeping inventory / medicines in Impervet, 336 HH's got service from ABBA²⁶ and 81 HH's supply honey to Matchakhela Ltd²⁷.

The beekeepers in Ajara produce and sell honey differently. 38 % of them sell honey from home to local intermediaries and 14% to foreign intermediaries (see table 24)



The volume of honey sold by the beekeepers in 2016 has been slightly increased (5%): In 2016 beekeepers on average sold 532 kg honey and in 2014, 508 kg honey.

²⁵ Because of the low scale the information is difficult to disaggregate per intervention, thus, this section unites all three interventions.

²⁶ 171 beekeepers participated in the honey festival, 111 got consultation service and 57 attended the trainings.

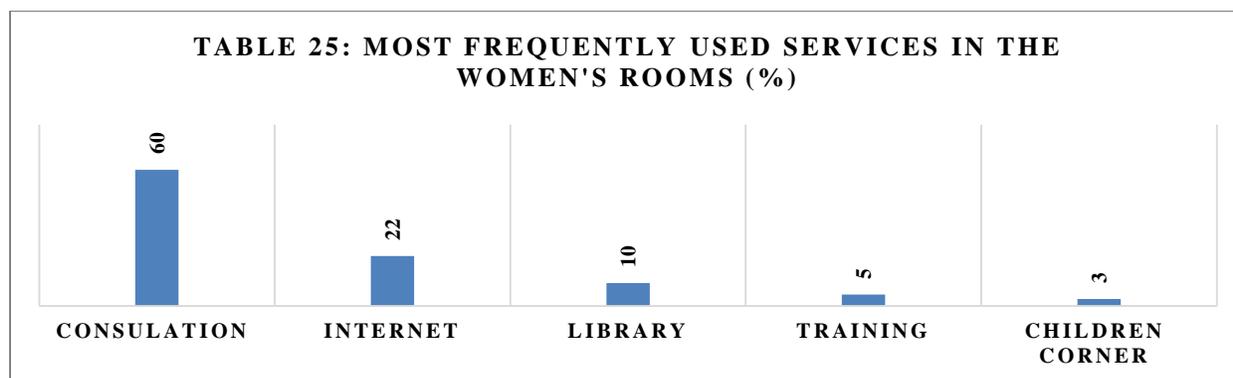
²⁷ Also, Machakhela Ltd collected honey outside programme area as well and serves 65 HH's in Guria regions.

SECTION 5: PROGRAMME ACHIEVEMENTS TOWARDS - OUTCOME3

5.1 GENDER OVERT INTERVENTION: WOMEN ACCESS TO DECISIONS MAKING²⁸

The new Municipal Service – Women’s Rooms model was scaled up by ALCP Ajara Programme in 2014. The new municipal service Women’s Room started operating in Khulo, Shuakhevi, Khelvachauri, Keda, Kobuleti and Batumi Municipalities aiming to grant access to women to public goods in local government, to pensions, consultation, benefits and to make them feel welcome in the government building. The ALCP also trained village representatives and advocated for women’s involvement in the decision making process on the community level.

So far, in Ajara 3,804 of the rural households used the WR service. Both women and men have (60% /40%) access to the service²⁹. The farmers get information about the Women’s Rooms mostly from local representatives and family members / friend. On average, one beneficiary uses the Women’s Rooms 2 times a year and most frequently they get consultation service (60%) and internet services (22%) (See table 25).



Women Rooms provides business consultations to women and men. As a result, 19 business projects (16 projects from women) were granted in total of 154000 Gel for starting up guesthouses, fishery, laundry, restaurant, flower shop, etc. It has helped farmers to get the benefits of the new law on Tax Exemptions in Mountainous Regions. 1, 623 farmers in Keda, Shuakhevi and Khulo have already got status of the resident of the high settlements to take some social benefits.

In addition, 27% (7262) of the farmers in Ajara know about the community meetings and 48% (3413) actually attended it in 2016. In terms of women’s access to decision making: in 2012 only 3% of women used to attend community meetings, while in 2016 33% of the meeting participants were women. 20% out of them initiated own idea at the village meetings from which, 14 Women instigated initiatives mainly on renovation/rehabilitation of roads; fixing lighting in the village, solution of running water issues; renovation of village clubs and ceremonial hall, the initiatives amounted in 57,199 Gel. All of these initiatives are implemented in eleven villages of three municipalities (Khulo, Shuakhevi, and Keda) of Ajara

²⁸ The impact assessment could not capture the impact of the WR, because farmers generally do not know name of the Women’s Room. So, this data is estimated based on the monthly collected data. The rest of the Outcome 3 interventions could not examine during the survey.

²⁹ The number of the men beneficiaries is high as the consultations on New Law “Tax Exemptions in Mountainous Region” have been provided by the WRs and in this regard most of the visitors were men.

ANNEX A: SURVEY & DATA COLLECTION PROCESS

The programme conducted a household survey in May 2017, in programme target area. The programme has conducted the survey with help of local research organization Tbilisi Economic and Statistics Institution (TESI). The deliverables of TESI included:

- Translating the questionnaire into Russian and Azeri;
- Sampling;
- Requiring and partially training of the interviewers;
- Conducting and supervising of the interviews;
- Construction of the database, entering the data, cleaning the data base and providing the ready database;
- Ensuring the quality checks of the interviews, data entry and data cleaning process – as well providing report on these tasks;

<p>Sampling Framework:</p>	<p>The sample framework for ALCP project is the list of voters from the electoral committee of 2015.</p> <ul style="list-style-type: none"> • Sample size: 400 interviews • Margin of error: 4.9% • Confidence level for 95%. <p><i>Methodology to identifying respondents:</i></p> <ul style="list-style-type: none"> • Random walking <p>- For identifying the households. The households are filtered, leaving out the families not leading the animal husbandry. Within the family most informed adult person (18+) in regard to animal husbandry is interviewed.</p>
<p>Rationale:</p>	<p>Sample design: Multi Stage Cluster Sampling (MSCS) with preliminary stratification.</p> <p><i>The multistage sampling strategy</i> demands that representative geographic units for sampling are selected. These geographic sampling units are known as Primary Sampling Units (PSUs). Strata within PSUs are then identified for random sampling, allowing oversampling to assure adequate sample size of specific populations of interest.</p> <p>Preliminary stratification required that overall sample size was distributed between the five districts of Adjara (Keda, Kobuleti, Khelvachauri, Shuakhevi and Khulo) in proportion to population with 18 and more age.</p> <p>After preliminary stratification was done multi stage cluster sampling overtook the following stages: At the first stage, each district was divided in clusters (according the rural settlements, as in urban setting the population does not have the cattle)</p>

	<p>according to the size of settlement.</p> <p>Sample size which was defined for each district was distributed between clusters in proportion to population with 18 and more age.</p> <p>At the second stage, <i>Primary Sampling Units (PSUs)</i> were sampled from the selected clusters to derive the final sample. PSUs were village in rural clusters.</p> <p>The sampling strategy requires maximizing number of clusters and minimizing number of elements within cluster. In each PSU 10 interviews were conducted. Number of PSU's which should be selected in each strata was defined by dividing number of interviews in these strata on 10.</p> <p>PSU's were selected by using Probability Proportional to Size (PPS) method.</p> <p>On the third stage <i>Secondary Sampling Units (SSUs)</i> were designed which is household. In each selected PSU SSU's were selected by random walking method using step between households. Step size was 5 in the rural settlements.</p> <p><i>Final Sampling Unit (FSU)</i> was individual with 18 and more age, who had the household head status, or participated in decision making process, were involved in farming herself/himself or had the relevant information. For sampling final sampling units, the gender quotes were not used. The final proportion of the respondents was the following: 39.5% were male, 60.5% - female. The multiplicity of male was due to the demographic disproportion, seasonal migration of male and absent of men as some of them already were in seasonal pastures.</p> <p>During the fieldwork 9 randomly selected villages were changed, as the majority of population did not have either cattle or bee, as the interviewers covered the whole village (usually it happened either in low lands, or in small villages). In those cases, new villages were selected by criteria of territorial proximity. Overall the interviewers visited 688 families, in order to have 400 completed interviews. Thus 41.3% of selected families did not have either cattle or bees.</p>
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VI. List of geographic locations covered by the assessment

Within the ALCP project all districts of Ajara region were covered.

VII. Key Research Tools: [e.g. Sample Survey and etc.]:

- Sample Survey,
- Structured questionnaire in English and Georgian
- Cards for respondents.

VIII. Data Gathering and Quality Control:

- *Designing the questionnaire*

For designing questionnaire, the questionnaire of Impact Assessment Survey in Kvemo Kartli region (2016) was used.

- *Training for interviewers*

After finalizing the questionnaire and designing the survey sample, the interviewers will intensively be trained by supervisor and project coordinator, considering the general rules of interviewing process and sampling and specificity of the questionnaire, the protocol of the study, their responsibilities and types of sample.

- *Roles and responsibilities*

Interviewers were the local researchers, who cooperate with TESI for long time. In ALCP study there were three other people included: **Analyst**, who participates in the process of finalizing questionnaire and defining the sample design and cooperates with Mercy Corps for main issues. **Project director**, who is responsible for organizational and financial issues. **Supervisor**, who did the pre-test of research instrument, was included in the finalization process of the questionnaire. She is responsible for recruiting and supervising the local interviewers.

- *Dates for the field work*

05.2016-06.2016

- *The quality of the information gathering*

The quality of data gathering is ensured by the supervising process of the interviewers during fieldwork which is done by TESI supervisor, as well as the representatives of Mercy Corps. Furthermore, directly after the fieldwork TESI started field work quality control. TESI project coordinator trained an independent interviewer who is responsible for field control. It is exclusively her function, never mixing up with basic initial field-works.

For ALCP project 38 interviews went under the field control. Questionnaires that were checked had been selected randomly from the package of filled questionnaires, though the packages themselves were systemized in a way that almost every interviewer were back checked.

Field controller was trained according to the general and specific requirements of survey. She was aware what kind of errors had to be fixed and reported to the coordinator of the survey. The field work quality control did not expose serious problems that would cause the replacement of the interview.

- ***The tendency of respondents to give ‘desirable answers’***

Within the face-to-face interviews it is impossible to overcome the desirable answers as well as the influence of interviews completely. The desirable answers were avoided by the natural character of the questions within the questionnaire, by the natural manner of asking them to respondents, by the ‘probing methods’ used by the interviewers and by the controlling questions.

IX. Data Processing and Analysis:

- ***Data entering***

During the fieldwork the statisticians of TESI develops an SPSS database, based on the questionnaire. Simultaneously the fieldwork (when approximately 50% of questionnaires are filled out) the data entry procedures starts. The semi-closed questions are coded and inserted into the SPSS data framework.

The technical assistant of TESI is responsible for coding and putting data into SPSS program. SPSS programme specialists (statisticians) cleans and processes the data.

For ensuring the quality of the data entry the random checking (comparing the database with the questionnaire) is done by SPSS specialist (statistician). Furthermore, the data checking encompasses three sub-processes:

- ✓ Data checking and error detection;
- ✓ Data validation;
- ✓ Error correction.

Survey data is processed and analyzed through SPSS programme, on the basis of different descriptive methods: distribution of frequencies, cross-tabulations.

B.6 POSSIBLE LIMITATIONS

The method has following limitations:

- **Representativeness** - the sample is representative for the programme area, but it cannot claim to show the statistical significant differences for sub clusters. Also, there is a high probability that impact assessment does not capture the actual impact for those interventions which has lower scale
- **Need of qualitative information for deeper explanation** – Some of the finding might need to be explained through the qualitative information. For example, the relationship between income and number of intervention used. For deeper analysis further qualitative researches is needed.
- **Recall bias** – respondents were asked to recall information retrospectively, however most of the data is triangulated and recall bias is minimized.

B.7 The Key Areas of the Impact Assessment Research

The key aims of the analyses are:

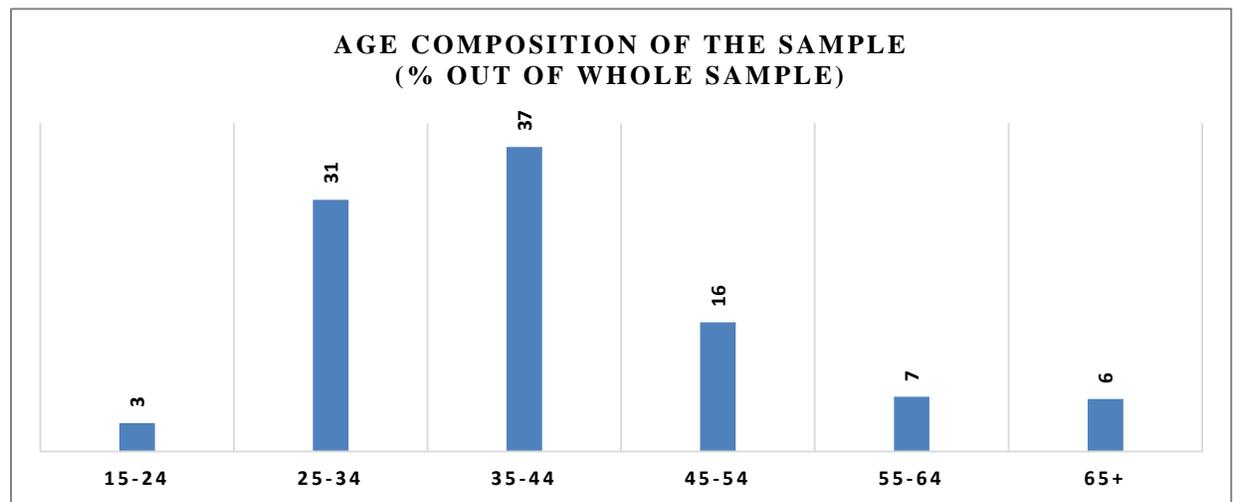
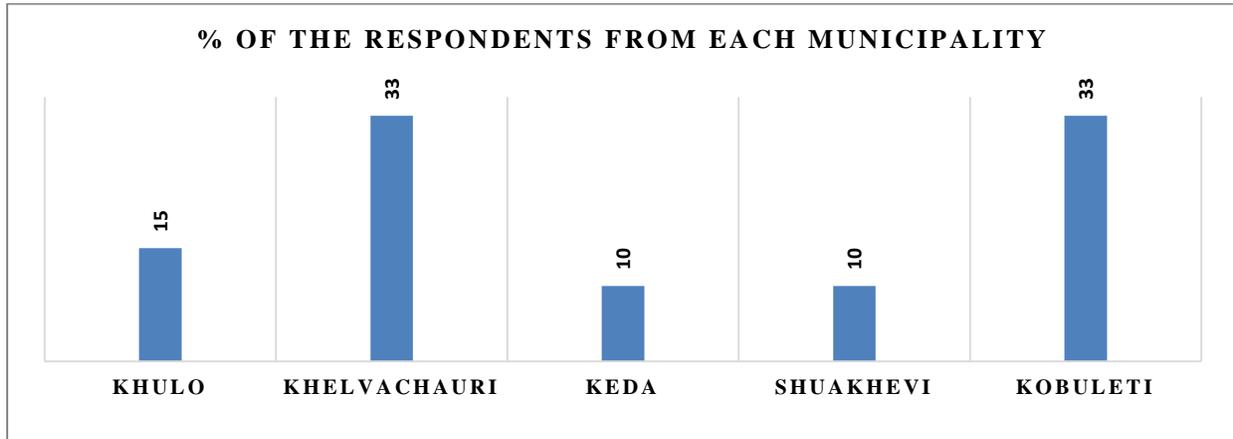
- To report on changes attributable to the programme: Through the difference³⁰ in changes across affected and non-affected populations in 2016.
- To evaluate costs and benefits or the value for money: Through the attributable changes in target households and the programme clients' incomes and the aggregated social return on the programme investment.
- To assess the sustainability of the changes: Through the profitability of the business models, the business return on the private sector investment, systemic changes i.e. copying and crowding in and programme attributable changes in the rate of reinvestment in agriculture by farmers.
- To assess the synergistic effect of the systemic approach: Through capturing the effect of the synergy of different interventions and outcomes.

	Indicator	Definition
Outreach and scale	Availability of the intervention (available within the community)	# of communities covered by the intervention
	Access to the intervention	# of farming households with awareness and access to the intervention is within their or neighboring communities
	Usage of the services	# of farming households using the programme facilitated services.
	# of beneficiary households	# of farming households using the programme facilitated services, and generating positive income changes
Value for money – Farmers Benefits	Employment created	Number of full time job places generated by the programme clients due to the interventions
	Net (programme) attributable income changes NAIC for target beneficiaries	NAIC for target beneficiaries= Beneficiaries Agro - Income 2016 - Beneficiaries Agro - Income 2014 - (Non Beneficiaries Agro - Income 2016 – Non Beneficiaries Agro - Income 2014) – inflation
	Aggregated social return on investment (SROI)	Farmers aggregated NAIC minus and over programme investment
Sustainability (business/financial sustainability)	Profitability of the businesses: Client's ROI	Clients NAIC minus and over clients investment
	Replicability of the business models	Number of copying and crowding in
Behavioral changes on market - Reinvestment in agriculture	Attributable changes in the amount of money invested in livestock sector by farmers	changes in the amount of money spent in agriculture by farmers, caused by the interventions
	Attributable changes in a number of animals possessed by farmers	changes in number of livestock possessed by target population caused by the interventions

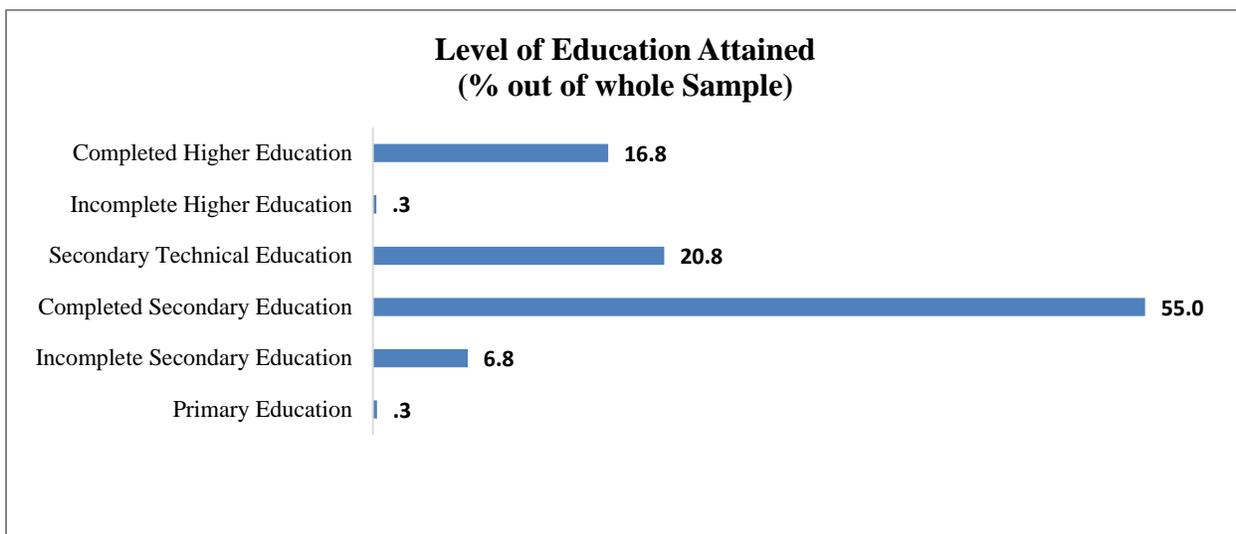
³⁰ Or negative like displacement in case they occur.

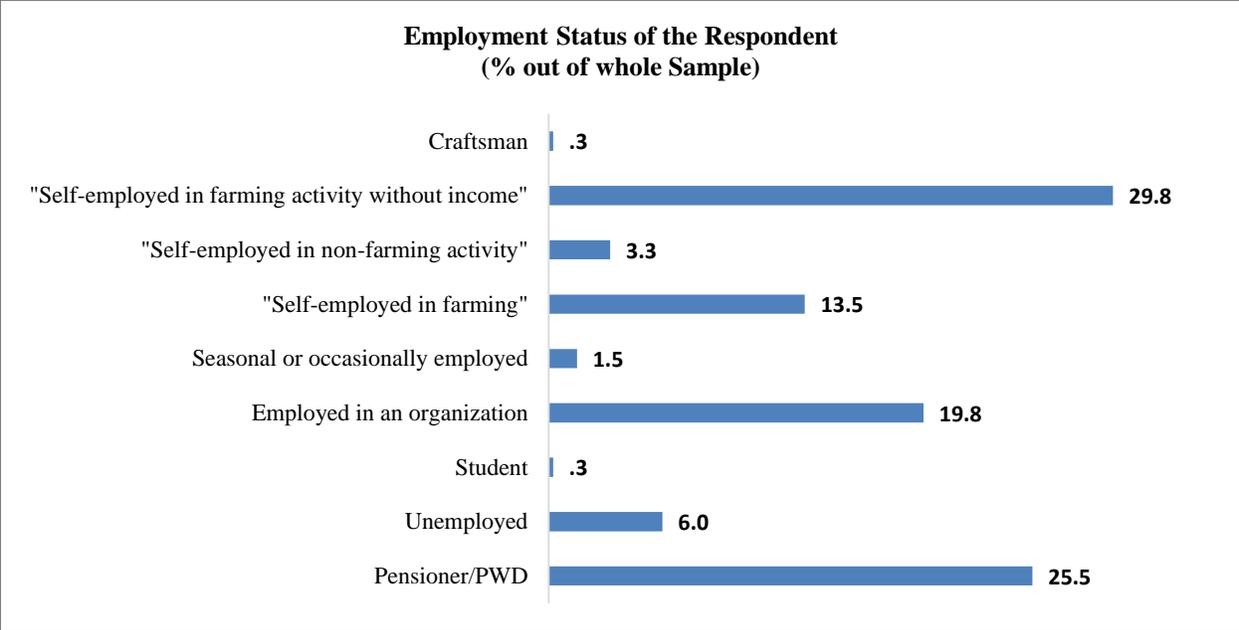
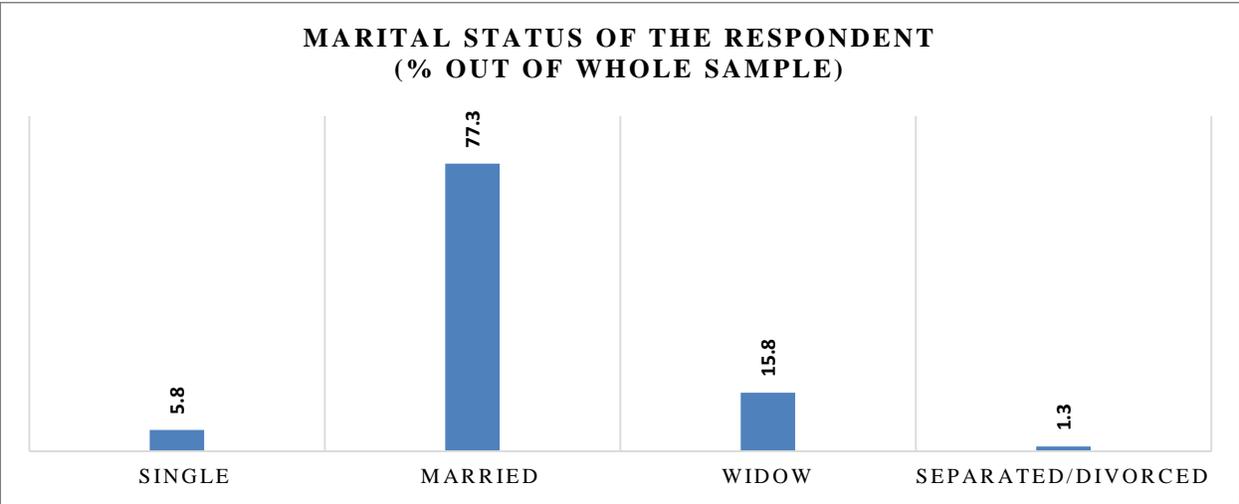
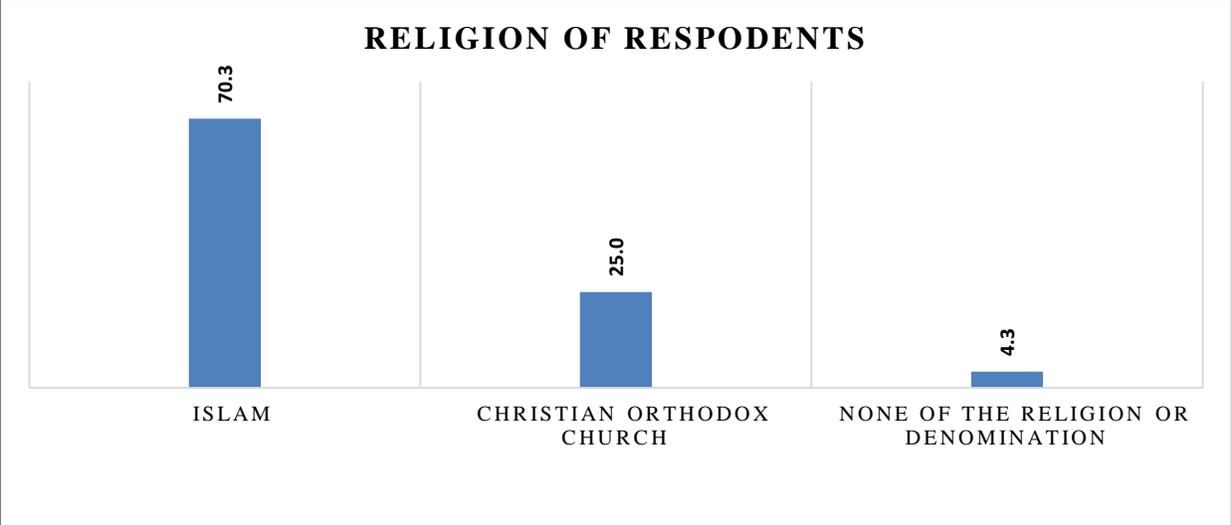
ANNEX B: PROFILES OF BENEFICIARIES

C.1 DEMOGRAPHIC CHARACTERISTICS:

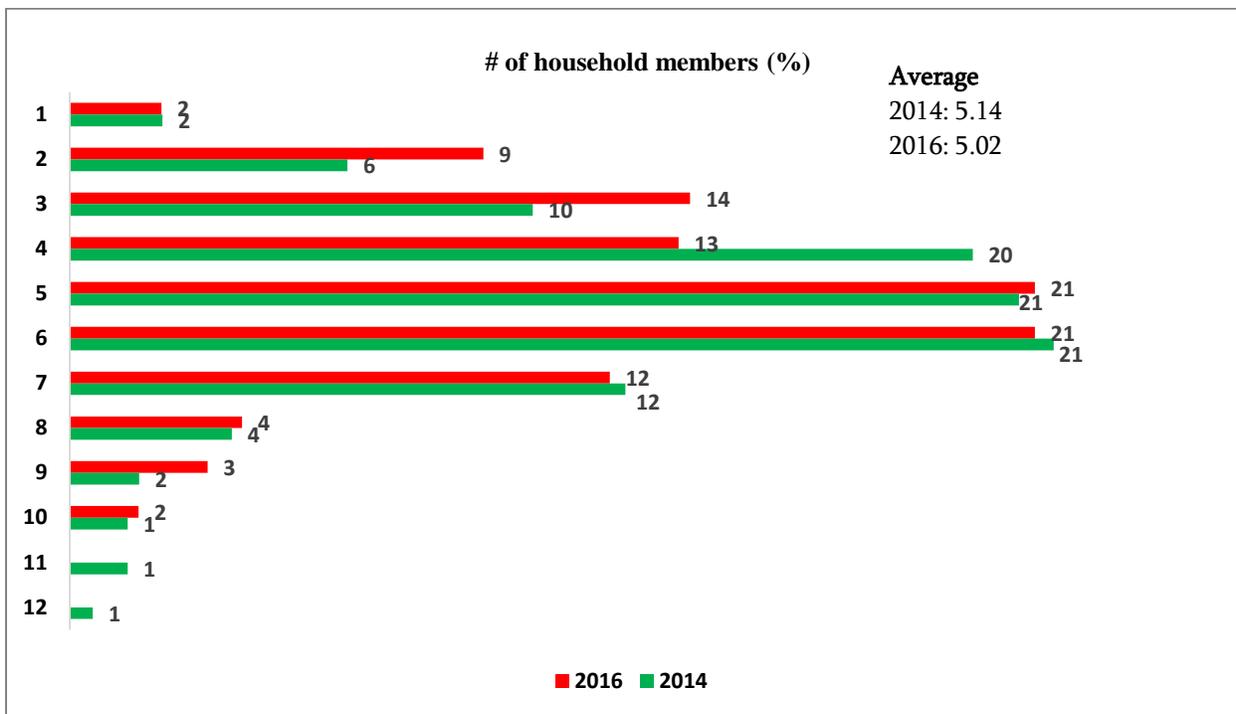
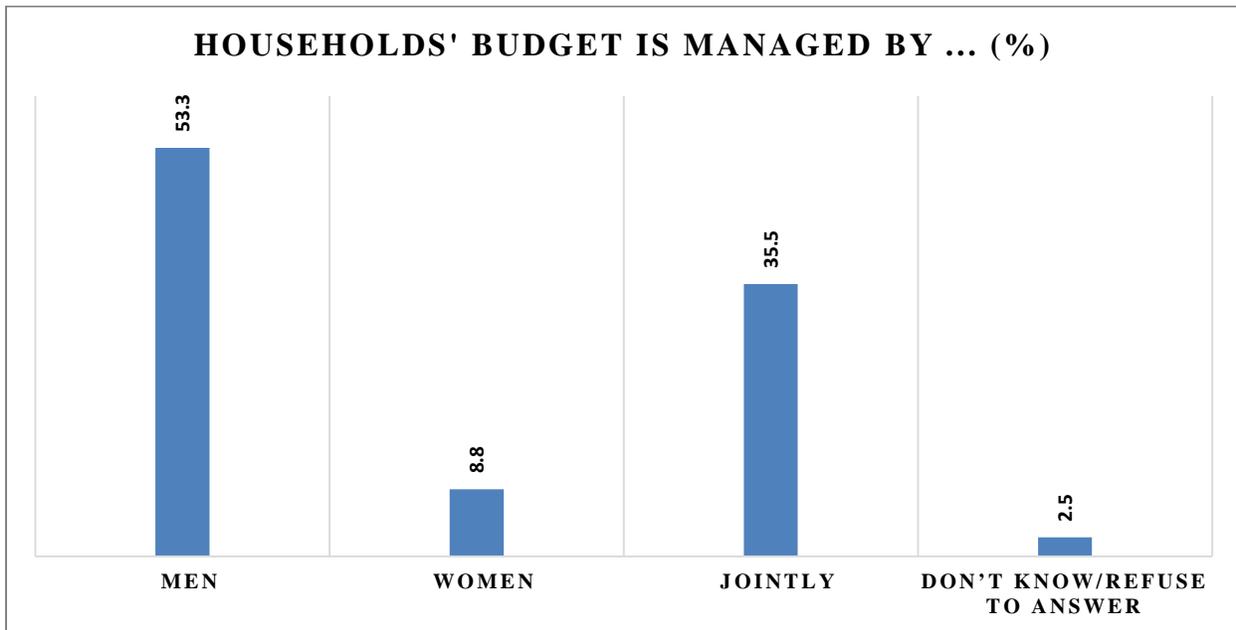


C.2 RESPONDENTS' PROFILES:





C.3 HOUSEHOLDS' PROFILES:



ANNEX C: SUSTAINABILITY DASHBOARD INDICATOR DEFINITIONS

The sustainability index was assessed according to the following criteria:

Systemic changes - Systemic change can be broadly described as “alterations in the structures or dynamics of a market system leading to new patterns of behavior of market system actors” (such as in private sector, government, civil society, public policy level).

When rating an intervention in context of systemic changes, it measures its achievements in perspective of three key characteristics of systemic change- scale, sustainability and resilience which all contribute to poverty alleviation and the transition to a durable market economy for the livestock sector.

Scale - Systemic changes benefit a large number of people not directly involved in the original intervention e.g. farmers in other areas who are also seeing improved access from programme clients and other suppliers

Sustainability- Systemic changes continue long after a programme ends; market changes are likely to continue but they will expand, reaching greater scale

Resilience -Market players adapt to changing contexts to continue to deliver pro-poor growth. E.g. input suppliers/ clients diversify its operations, expand distribution across the country and region, reach credibility to lobby the government, and make them accountable to be responsive to their concerns.

NAIC – Net Attributable income change

Measured based on the extent of Net Attributable Income Change generated by the programme beneficiaries from the particular intervention

Innovation - The intervention is assessed in context of how innovative it was in itself including those further innovations that developed as the intervention developed over time. E.g. technological innovations, add on's to the original facilitation, network and linkage development from newly created platforms for new products.