



ALLIANCES LESSER CAUCASUS PROGRAMME
MARKET ALLIANCES IN THE LESSER CAUCASUS REGION OF GEORGIA
Bi -ANNUAL REPORT
March 1st 2016 to August 31st 2016



Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra

Swiss Agency for Development
and Cooperation SDC



LIST OF ABBREVIATIONS

ADA	Austrian Development Agency
AI	Artificial Insemination
AJ	Ajara
ALC	Alliances Lesser Caucasus Programme
AMR	Animal Movement Route
BDS	Business Development Services
BEC	Business and Economic Centre
CG	Caucasus Genetics
CPC	Cheese Producing Centre
DCFTA	Deep and Comprehensive Free Trade Agreement
DRR	Disaster Risk Reduction
DRRWG	DRR Working Group
EC	European Commission
E+I	Employment and Income Network (SDC)
EUAA	European Union Association Agreement
FFI	Flora and Fauna International
FS&H	Food Safety and Hygiene
GDCI	Growth Development & Continuous Improvement of your business (name of a company)
GSA	Georgian Shepherds Association
GEL	Georgian Lira (currency)
GMP	Good Management Practice (FS&H assessment)
IAAD	International Agricultural
ICCN	International Centre for Conflict and Negotiation
IFAD	International Fund for Agricultural Development
IFC	International Finance Corporation
ISF	Investment Support Facility
KK	Kvemo Kartli
LCP	Lesser Caucasus Programme (official SDC name for ALC)
LLC	Limited Liability Company
LSG	Local Self Government
MAP	Monitoring Actions Plan Meeting
M4P	Make Markets Work for the Poor Approach
MC	Mercy Corps
MCC	Milk Collection Centre
MDA	Market Development Approach
MFI	Micro-Finance Institution
MIA	Ministry of Internal Affairs in Georgia
MOU	Memorandum of Understanding
MOA	Ministry of Agriculture
MOAA	Ministry of Agriculture Ajara
MOE	Ministry of Environment
MRDI	Ministry for Regional Development and Infrastructure
MSD	Market Systems Development
NFA	National Food Agency
OPA	Outside Programme Area
RC's	Results Chains
SCCSF	Support Centre for Civil Society Formation
SDC	Swiss Agency for Development and Cooperation
SCO	Swiss Cooperation Office
SJ	Samtskhe-Javakheti
SME	Small to Medium Enterprise
UK	United Kingdom

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The Alliances Lesser Caucasus Programme (ALCP) is a Swiss Agency for Development and Cooperation market development project implemented by Mercy Corps Georgia working in the dairy, beef, sheep and honey sub-sectors in the Kvemo Kartli (KK), Samtskhe Javakheti (SJ) and Ajara (AJ) regions in Southern Georgia, regions all highly dependent on livestock production. The programme has been audited according to the Donor Committee for Enterprise Development (DCED) Standard and is committed to the successful implementation and measuring of Women's Economic Empowerment.

Project Time Frame: The ALCP began on March 1st 2014 and is set to run until February 28th 2017, This report covers the third half year of the ALCP from March 1st 2016 until August 31st 2016.

Our Partners: The programme works in partnership with the International Association of Agricultural Development (IAAD) and has scope to contract locally grounded technical expertise through sub contracts for Gender, Governance and DRR.

The Goal of the ALCP is to contribute to poverty alleviation and the transition to a durable market economy for the livestock sector in the selected regions of KK, SJ and AJ, by creating sustainable changes in the dairy, beef, sheep and honey market systems for the ultimate equitable benefit of small, poor farmers, regardless of gender or ethnicity. The programme is run according to the **M4P (Making Markets Work for the Poor Approach)** a market systems development approach which *facilitates* key market players in the relevant value chains to address key constraints in core markets and supporting functions to exploit poor opportunities for growth. Sustainability is built in through a minimum co-investment of 35% from the market players with whom it invests.

Targets: The previous phases of the Alliances programme have considerably exceeded their targets, impact which is now being bolstered by the appearance of crowding in. **The ALCP Target** is to reach 24,000 households which is 20% of poor households in the programme area, who will benefit directly and indirectly through improved services, markets and operating environment, with increased income from sales, reduced production & transaction costs, increased net worth and employment. 90% of ALCP supported business will still be operating without programme support by the end of the programme and 49,000 (41%) households will have improved awareness of local Disaster Risk Reduction (DRR) directly related to livestock production.

The Facilitation Approach: The ALCP will amplify the successes of the Alliances programmes to date in access to quality inputs, improved market access terms of trade and an improved operating environment, promoting scale and long term behaviour change. The ALCP will continue to work with businesses large, medium and small, who have the best potential to generate changes that are economically beneficial for the small farmers who are their clientele or suppliers. The ALCP will also continue to scale up interventions with all levels of government and other key organizations to help influence the operating environment in which the businesses function and farmers exist. Crowding in, copying and sectoral changes already apparent will proliferate to generate long term and lasting change in the lives of small farmers in Georgia. For more information please go to: www.alcp.ge

STRATEGIC REVIEW AND OUTLOOK

MAIN RESULTS ACHIEVED AND IMPLEMENTATION PERFORMANCE OF THE PROGRAMME

Qualitative Monitoring & Note on Annexes: Due to space restrictions, the tables in the main body of the report contain only quantitative indicators. Quantitative indicators alone cannot fully describe programme impact. Qualitative indicators, stakeholders perspectives, systemic change and info graphics contain essential information to provide a full picture of programme impact and are found in Annex 1,2,3 &4. Annex 5 lists each intervention carried out in the reporting period. Further annexes contain important in depth information on key programme interventions.

Table: 1 Results achieved and implementation performance of the programme

The major target beneficiaries of the programme i.e. Small Scale Livestock Producers (SSLP's)		Actual ¹ Alliances Finalized Programme Results (SJ I & II phases: 2008-2014 & KK I phase: 2011-2014)	Estimated ² ALCP Achievements (SJ stand by phase: since Jan 2015, KK II phase: since March 2014, AJ: since March 2014)	Alliances & ALCP Programme Aggregated Results (SJ since: 2008, KK since 2011, AJ: since 2014)
Scale: Number of beneficiaries served (direct beneficiaries & outside programme area & export)	# of Rural households served ³	44,726 ⁴ (SJ: 26,786 (1 st phase: 11,424; 2 nd Phase: 15,362); KK: 17,940)	542,677 (SJ: 2,827; KK: 57,350; AJ: 36,445; OPA ⁵ : 413,433; EXP ⁶ : 32,622)	587,403 (SJ: 29,613; KK: 75,290; AJ: 36,445; OPA: 413,433; EXP: 32,622)
	Average % of Rural households with women members served (average across all interventions) ⁷	40% (SJ: 39% ⁸ ; KK: 42%)	41% (40% for the programme area) (SJ: 35%; KK: 39%; AJ: 41%; OPA: 41%)	41% (40% for the programme area) (SJ: 39%; KK: 40%; AJ: 41%; OPA: 41%)
Indirect Beneficiaries # of rural households served	9,232 (SJ: 3,747; KK: 5,485)	80,900 ⁹ (SJ: 19,297; KK: 61,603)	90,132 (SJ: 23,044; KK: 67,088)	

¹ Based on Impact Assessments (IA) except in the case of Alliances SJ 1st Phase see footnote 4 below.

² Based on monthly data and multipliers from impact assessments (for scale).

³ The number of individuals in a Rural HH is 4.7 in SJ, 4.6 in KK, 5.5 in AJ and 4.9 Outside of programme area. These numbers are taken from the IA's and Baseline Survey. These figures are triangulated with the new National Statistics Census published in April 2016.

⁴ Taken from the End of Phase Report (EPR) for SJ 2011. No IA was conducted for the first phase of Alliances in SJ. The recall bias for scale and NAIC would be too large given the time period to use IA assessment data from the IA conducted in February 2015 to cover this period thus the data based on monthly data sheets and collated into the EPR for Phase 1 is being reported. The IA data for scale and NAIC is being utilized for the period from 2011-14.

⁵ Here and all across the report OPA stands for Outside Programme Area. These figures are captured through the systemic change log and Roki's data sheets. All the figures verified case by case and by analyzing sales figures and client data.

⁶ Export figure is currently based on veterinary export to Azerbaijan and Ukraine (Roki). For capturing the number of farmers, Roki's export sales are divided by the average paid for Roki's vet medicines per farmer.

⁷ This indicator does not include the information as it has very high gender % and would skew the average %.

⁸ Average benefit across all intervention by women solely or in conjunction with another HH member is 39%. In the last report the figure of 78% representing total access was mistakenly quoted for SJ meaning that, in 78% of beneficiary HH's, women or women in conjunction with other HH members had used at least one of the programme services

⁹ There is a high overlapping ratio between indirect beneficiaries and direct beneficiaries within the regions.

Net attributable income generated for programme beneficiaries - GEL ¹⁰	21,321,198 (<i>SJ: 11,095,951¹¹; (1st phase: 5,262,684; 2nd Phase: 5,833,267); KK: 10,225,247)</i>)	24,088,593 ¹² (<i>SJ: 1,771,805; KK: 9,499,155; AJ: 1,111,085; OPA: 11,706,548)</i>)	45,409,791 (<i>SJ: 12,867,756; KK: 19,724,402; AJ: 1,111,085; OPA: 11,706,548)</i>)
Indirect Net attributable income generated for programme beneficiaries	293,232 (<i>SJ: 173,475; KK: 119,757)</i>)	3,058,575 (<i>SJ: 792,884; KK: 2,265,691)</i>)	3,351,807 (<i>SJ: 966,359; KK: 2,385,448)</i>)
Net attributable income generated for programme clients	3,918,535 (<i>SJ: 3,089,547; KK: 828,988)</i>)	6,426,836 (<i>SJ: 1,685,516; KK: 3,240,687; AJ: 386,618; OPA: 1,055,392; EXP: 58,623)</i>)	10,345,371 (<i>SJ: 4,775,063; KK: 4,069,675; , AJ: 386,618; OPA: 1,055,392; EXP: 58,623)</i>)
Net attributable income generated for employees	795,132 (<i>SJ: 516,320; KK: 278,812)</i>)	2,282,631 (<i>SJ: 571,455; KK: 1,298,326; AJ: 412,850)</i>)	3,077,763 (<i>SJ: 1,087,775; KK: 1,577,138; AJ: 412,850)</i>)
# FT Job equivalents	231 (<i>SJ: 150: 61 women / 89 men; KK: 81: 37 women / 44 men)</i>)	268 (<i>SJ: 26: 9 women / 17 men; KK: 153: 57 women / 96 men; AJ: 89: 42 women / 47 men)</i>)	499 (<i>SJ: 176: 70 W/ 106 men; KK: 234: 94 W/ 140 men; AJ: 89: 42 women / 47 men)</i>)
# of programme clients	70 (<i>SJ: 46; KK: 24)</i>)	50 (<i>SJ: 1; KK: 23; AJ: 26)</i>)	120 (<i>SJ: 47; KK: 47; AJ: 26)</i>)
# of programme supported entities ¹³	387 (<i>SJ: 336; KK: 51)</i>)	287 (<i>KK: 203; AJ: 84)</i>)	674 (<i>SJ: 336; KK: 254; AJ: 84)</i>)
Indirect Benefits of the Interventions: # of entities ¹⁴	37 (<i>SJ: 15; KK: 22)</i>)	47 (<i>SJ: 20; KK: 25; AJ: 2)</i>)	84 (<i>SJ: 35; KK: 47; AJ: 2)</i>)

¹⁰ Total NAIC for farmers is calculated based on the impact assessments, while NAIC per intervention is calculated based on the monthly collected data.

¹¹ NAIC for 2014 is calculated from the impact assessment and previous years NAIC comes from monthly collected data.

¹² This number is estimated figure and it will be adjusted during the impact assessments.

¹³ Vet pharmacies, bull service providers (SP's), machinery (SP's) and information (SP's).

¹⁴ Refers to systemic change and entities crowding in captured see Annex 1 Qualitative Information and Annex 3 Systemic Change Log. The number is broken down per outcome in the outcome level indicator tables.

Table 2: Purpose Level Achievements:

*Note: % achievement against target only refers to KK and AJ regions as targets were only set for these regions.

Purpose Level Achievements		
Actual Alliances Finalized Programme Results <i>(SJ I & II phases: 2008-2014 & KK I phase: 2011-2014)</i> All targets in both regions have been met	To date Alliances Programme's & ALCP Results	
	Estimated ALCP Progress against targets ¹⁵ <i>(SJ stand by phase: since Jan 2015, KK II phase: since March 2014, AJ: since March 2014)</i>	Alliances & ALCP Programme Aggregated Results <i>(SJ since: 2008, KK since 2011, AJ: since 2014)</i>
Outreach		
44,726 SSLP's with access to target services & markets (40% women / 60% men) <i>(SJ: 26,786; KK: 17,940)</i>	542,677 (96,622 in the programme area) new SSLP's accessing target services & markets (41% women / 59% men) <i>Exceeding targeted 24,000 by 291%¹⁶ (SJ: 2,827; KK: 57,350; AJ: 36,445; OPA: 413,433; EXP: 32,622)</i>	587,403 SSLP's accessing target services & markets (41% women / 59% men) <i>(SJ: 29,613; KK: 75,290; AJ: 36,445; OPA: 413,433; EXP: 32,622)</i>
28,842 SSLPs generating tangible positive income changes due to improved services & markets (40% women / 60% men) <i>(SJ: 19,154; KK: 9,688)</i>	335,777 (55,861 in the programme area) new SSLPs generating tangible positive income changes due to improved services & markets (41% women / 59% men) <i>Exceeding targeted 20,000 by 169% (SJ: 2,021; KK: 30,970; AJ: 22,870; OPA: 259,445; EXP: 20,471)</i>	364,619 SSLPs generating tangible positive income changes due to improved services & markets (41% women / 59% men) <i>(SJ: 21,175; KK: 40,658; AJ: 22,870; OPA: 259,445; EXP: 20,471)</i>
32,178 SSLPs with access to local public goods (DRR, decision making) facilitated by the programme <i>(SJ: 9,678;¹⁷ KK: 22,500)</i>	155,952 ¹⁸ of SSLPs with access to local public goods (DRR, decision making) facilitated by the programme <i>Exceeding targeted 49,000 by 16% (SJ: 16,946; KK: 32,073; AJ: 24,605; OPA: 82,328¹⁹;))</i>	188,130 of SSLPs with access to local public goods (DRR, decision Making) facilitated by the programme <i>(SJ: 26,624; KK: 54,573; AJ: 24,605; OPA: 82,328)</i>
Value for money – Farmers benefits		
18% increase in monthly income (from sales, reduced production & transaction costs, time saved & increased net worth and employment) of households from livestock production) <i>(SJ: 16%; KK: 22%)</i>	27% ²⁰ increase in monthly income (from sales, reduced production & transaction costs, time saved & increased net worth and employment) of households from livestock production) <i>Exceeding targeted 20% by 5% (SJ: 24%; KK: 38%; AJ: 8%)</i>	N/A ²¹

¹⁵ Outside of Program Area (OPA) impact is not counted against the targets.

¹⁶ All across the report targets are calculated only against the results of Kvemo Kartli and Ajara.

¹⁷ 7,773 use new & renovated bridges, 1,262 use watering points and 642 use renovated kindergartens.

¹⁸ DRR working groups, AMR Tsintskaro (villagers & shepherds) and Namtvriani fencing, Women's Rooms visitors, kindergartens and community meeting women participants, livestock market, cheese market and animal registration by NFA are included. Note: these figures from different interventions might overlap each other.

¹⁹ Mainly the animal health registration intervention.

²⁰ This is estimated figure and it will be adjusted from the next impact assessment in 2017.

²¹ This number will be aggregated from the next impact assessment.

21,321,198 NAIC value in Gel Generated for SSLPs (8,528,479 for HH with women access / 12,792,719 for men) (SJ: 11,095,951; KK: 10,225,247)	24,088,593 ²² (12,382,045 in the programme area) NAIC value in Gel Generated for SSLPs (9,876,323 for HH with women access / 14,212,270 for men) <i>Exceeding targeted 2,6 million by 308%</i> (SJ: 1,771,805; KK: 9,499,155; AJ: 1,111,085; OPA: 11,706,548)	45,409,791 (33,703,243 in the programme area) NAIC value in Gel Generated for SSLPs (18,404,802 for HH with women access / 27,004,989 for men) (SJ: 12,867,756; KK: 19,724,402; AJ: 1,111,085; OPA: 11,706,548)
Sustainability Business Profitability		
3,918,535 NAIC value in Gel Generated for programme clients (SJ: 3,089,547; KK: 828,988)	6,426,836 (5,312,821 in the programme area) NAIC value in Gel Generated for programme clients <i>Exceeding targeted 450,000 by 706%</i> (SJ: 1,685,516; KK: 3,240,687; AJ: 386,618; OPA: 1,055,392; EXP: 58,623)	10,345,371 NAIC value in Gel Generated for programme clients (SJ: 4,775,063; KK: 4,069,675; AJ: 386,618; OPA: 1,055,392; EXP: 58,623)
231 full time job equivalents (98 women / 133 men) (SJ: 150: 61 women / 89 men; KK: 81: 37 women / 44 men)	268 full time job equivalents (108 women / 160 men) <i>Exceeding targeted 185 by 31%</i> (SJ: 26: 9 women / 17 men; KK: 153: 57 women / 96 men; AJ: 89: 42 women / 47 men)	499 full time job equivalents (206 women / 293 men) (SJ: 176: 70 W/ 106 men; KK: 234: 94 W/ 140 men; AJ: 89: 42 women / 47 men)
94% of Alliances supported entities where revenue exceeds costs (SJ: 93%; KK: 95%)	100% of Alliances supported entities where revenue exceeds costs <i>Exceeding targeted 90% by 10%</i> (SJ: 100% KK: 100%; AJ: 96%)	96.5% of Alliances supported entities where revenue exceeds costs (SJ: 93%; KK: 98.5%; AJ: 96%)
-15% ROI of programme clients' investments for Outcome 1 and Outcome 2 (SJ: -7%; KK: -35%)	39% ROI of programme clients' investments for Outcome 1 and Outcome 2 (SJ: NA; KK: 95%; AJ: -83%)	13% ROI of programme clients' investments for Outcome 1 and Outcome 2 (SJ: 40%; KK: 51%; AJ: -83%)
370% SROI of programme investments for Outcome 1 and Outcome 2 (SJ: 264%; KK: 587%)	149% SROI of programme investments for Outcome 1 and Outcome 2 (SJ: NA; KK: 406%; ²³ AJ: -53%)	289% SROI of programme investments for Outcome 1 and Outcome 2 (SJ: 311%; KK: 527%; AJ: -53%)
Note this indicator was not in the logframe in Phase 1 but was monitored in the KK Impact Assessment and found to be 30%	% of SSLP's investing in livestock production ²⁴ due to an improved sense of opportunity/confidence in the agricultural sphere (Note the measurement of this indicator is taken from the mid and end of phase impact assessments.)	

²² This number is an estimated figure and it will be adjusted during the impact assessments.

²³ Outside programme area impact is not included here, because targets are set for only inside the programme area. However, it is the result of KK intervention and if we include the SSLP's benefits from OPA, SROI in KK would be 1,029% in the 2nd phase and 899% aggregated.

²⁴ I.e. to something other than the service/enterprise to which they have been directly linked through programme facilitation

The steering implications for the next reporting period all relate to the closing out of the current phase on February 28th 2017 and the commencement of the next projected phase and new programme beginning on March 1st 2017 until February 28th 2021.

1. Closing out the current phase

- *Interventions:* Attention is focused on ensuring the closing of all funded activities for interventions under the current phase in line with spending out the current budget. As detailed in *Chapter 4 Finances and Management* in the programmatic lines there is no underspend. However there is underspending in other operational lines these have been fully evaluated (outside the reporting period) and the majority of the underspend will be absorbed into the investment support facility, capacity building and equipment. Full details of the underspend and intended reallocations will be submitted to SDC in early November. Therefore there is no expectation of an overall underspend. The ease with which the programme can absorb and manage underspent funds for interventions is testament to the efficiency of programme systems; the investment support facility, funding mechanisms, strategic planning and staff capacity.
- *Intervention Planning:* Management are spotting and cultivating entry points and trends in current interventions and impact which are guiding and will be fed into the development of the new programme proposal see Point 2 below.
- *Maturing of Interventions under Current Phase:* The results displayed in this report highlight the maturation of KK which is approaching the end of its second phase under the current log frame. The scale and quality of results as well as the complexity of systemic change (see Annexes 1,2,3) indicate successful implementation of the current log frame. Ajara's results are now being established and are in line with the planning expectations of the original programme which anticipated a four year phase for results to reach maturity. What is evident now is that Ajara is developing its own character with the interventions calibrating to conditions there rather than just copying models from the other regions. This is notable in the transfer of services to the high mountain summer pastures, the growing strength in the meat sector buoyed as first anticipated by the requirements of the HoReCa sector and the enforcement of local NFA and the beginning of real developments in the honey sector in supporting functions, core market and rules.
- *Sustainability in Transversal Themes:* Individuality, ownership and the customization of transversal theme interventions is arising in different regions and municipalities. In relation to women's access to decision making apart from the intended effect of women accessing public goods via the women's rooms and voting in community meetings for projects which are allocated funds from municipal budgets, major trends being observed are the Womens Rooms providing a nexus for helping women access government funds and for other organizations seeking to reach citizens under existing projects or as part of business expansion and Gamgiabelis (Mayors) are using the rooms to shape their outreach. Funds under *Produce in Georgia* and the *Mountainous Area Tax Exemption scheme* amongst others have been leveraged under these are reported in info graphics in Annex 4. 20 NGO's International and local have used and are using the rooms to reach citizens. 6 of these have signed MOU's with the rooms for ongoing communications. Business planning and training is proving a gateway service to many women. In Akhaltsikhe municipality (SJ) the Gamgiabeli has instituted seven village based 'women's rooms' based on the municipal model to improve outreach for rural women. In Khulo the Gamgiabeli holds a weekly meet the citizens session in the room. The DRR initiatives are showing similar adaptations. See *Update on the Implementation of Transversal Themes* p19. These results and developments and experience will be used to inform transversal themes within the development of the new programme.
- *Export* indicators in this report are more numerous, several new channels opening (wool to Ukraine, livestock to Near East, cheese to the US) showing the natural growth and development of capabilities

and opportunities within the market system these form a natural platform for helping develop the next phase see point 2. See *Direct and Indirect Unintended Effects* p18.

- *Impact Assessments* are being put in place for the three regions, these are planned for SJ: October 2016, KK November/December 2016, Ajara April/May 2017 (this reflects the harsh winter conditions blocking access to many of the beneficiaries of the programme area until spring and allowing for a longer period of implementation). Full programme impact assessments ground truth what are reported as 'estimated' figures in this report, figures that are based on monthly data sheets, mini surveys and annual qualitative assessments per intervention. The ALCP SJ Standby Phase Report will be delivered in January and incorporate the impact assessment data. It will provide a fascinating picture of growth and what measure of sustainability has been achieved following SDC funding under Alliances from 2008-2014. An Outcome Harvesting Trial report²⁵ which provides an external assessment of systemic change in KK has been released by the donors USAID and BEAM (outside the reporting period in October) and is provided with this report.
- *The DCED Audit* of Ajara will be held in January 2017. As was observed in KK and SJ in the previous audit the ongoing preparations have galvanized all staff to improve their knowledge of and inputs into the system resulting already in improved capacity and motivation amongst staff.

2. New Phase:

- *The Concept Note* for the new phase has been delivered, considered and accepted as the basis from which to develop the proposal for the next phase of the programme the *ALCP Regional*. The programme will have a regional focus on the South Caucasus and harness the naturally emerging trends of cross border scale up and trade, export and the deepening of functions within the market system. The logistics of the current programme are being harnessed to offer maximum use of human resources and location for facilitation of the cross border and regional interventions and interactions.
- *Delimiting Intervention Areas*: As mentioned above in Point 1 above, natural entry points and growth are being spotted to provide a basis for interventions under the three new Outcomes of the new programme which focus on sustainability and deepening of the SME sector, facilitating linkages with and services to Armenia and Azerbaijan and cross border trade and international export. However attention is being paid to closing out interventions and aspects of interventions which have had ample time to develop to ensure that focus and energy and programme resources are freshly focused on new interventions and intervention areas under a new log frame.
- *Strategic Framework (the selected market system intervention rationale)*: The programme currently has enough knowledge and is embedded firmly enough within the market system to develop the preliminary strategic framework for the new programme. This however will be fleshed out and augmented with new market analysis required for new areas of the value chain, beneficiary groups, market players and geographies as outlined below.
- *Market Analysis*: In addition to cultivating natural and available entry points under the outcomes of the new log frame particularly Outcome 1, a period of market research will ensue in the first six months of the new programme to ensure that new entry points are identified and fully supported by an appropriate strategic analysis (to augment that of the upcoming proposal) for intervening in the market system. This research will be compiled in a Market Analysis document/s after the first six months of the new programme. All research and analysis will be fully gendered.
- *Modus operandi* based on those developed and approved by SDC as found in Investment Manual and Monitoring and Evaluation Manual will be employed by the programme.
- *The proposal* with annexes to include Log Frame, Budget, Organizational Diagrams and others (based on previous requirements) will be delivered to Tbilisi SCO by November 25th 2016 allowing

²⁵ Funded by BEAM and USAID. See *Important Findings from Reviews and Self Evaluations* p31.

ample time for review and feedback and correction of the final draft proposal before final submission.

3. *Operating Environment*: The programme is fully open to SCO facilitation and guidance both now and certainly in the first six months of the next phase regarding linkages and developing working relationships with key strategic partners of the next phase e.g. SDA Armenia, FAO, UN Women.

4. The programme will remain committed to contributing to the market systems development Community of Practice in the new programme in fields related to gender and WEE, systemic change and results measurement, team building and management and international best practice with ongoing working linkages with SDC E+I Network, DCED and BEAM as well as in cross programme linkages. See *Important Findings from Reviews and Self Evaluations p31*.

CHAPTER 1 - INTRODUCTION

DESCRIPTION OF THE PROGRAMME AND ITS INTERVENTION STRATEGY

The ALCP is a market development programme working in the dairy, beef, sheep and honey sub-sectors in the Kvemo Kartli (KK), Samtskhe Javakheti (SJ) and Ajara (AJ) regions in Southern Georgia all highly dependent on livestock production. It is run in accordance with the M4P approach. Stringent market analysis is used to identify key constraints and pro poor opportunities for growth which the programme leverages through the facilitation of key market actors including local and regional government. Monitoring and evaluation is structured to comply with the DCED Standard (by which two of the Alliances programmes have been audited) and is committed to the successful implementation and measuring of Women's Economic Empowerment. The ALCP began on March 1st 2014 and is now set to run until February 28th 2017²⁶.

UPDATE OF THE STAKEHOLDER ANALYSIS

As in the previous reporting period this period has been relatively stable and has not witnessed a high turnover of local, regional and national levels of government which continues to have positive ramifications for programme interventions as relationships deepen. However some key political appointments have been made since the last reporting period in areas vital to the programme. Some of the changes have occurred just outside the reporting period in the run up to elections in October. A new Head of the NFA was appointed in April and the programmes work with the agency is becoming less efficacious in comparison to advances made between programme and the NFA under the leadership of Zaza Dolidze. The current Minister of Agriculture stood down just outside the reporting period being replaced with Levan Davitashvili with whom the programme has worked extensively over the AMR. Regional relationships with the NFA continue to thrive with valuable initiatives ongoing²⁷, it is important however that the national relationship remain fruitful considering SDC current and planned investments with the agency. The programmes relationship with the MRDI has finally regained traction after years of successive administrations and work for national governmental outreach of the Gender interventions is proceeding accordingly. In Kvemo Kartli relationships with the regional administration and current Governor in particular continue to strengthen including the commencement of preliminary facilitation just outside the reporting period for a new regional hub livestock market. In Ajara, Zurab Pataradze (Georgia's ex-ambassador to Kazakhstan) was appointed as the chairmen of Ajara Government, Lasha Komakhidze (former UNDP Ajara Project Manager) was

²⁶ Previously set to continue until February 2019 with mainly standby phases, this has been changed in line with SDC priorities for the new 4 year strategy for the Caucasus from 2017 and includes a discussion concerning a new regionally and export focussed programme.

²⁷ AMR, NFA/producer public information meetings, animal registration and interactions involving clients.

appointed as the Minister of Agriculture of Adjara and Ramaz Bolkvadze (former deputy to the Minister of Finance and Economy of Ajara) was promoted to Minister the latter two being known to the programme. The programme has also deepened its relationship with *Adjaristkali LLC*²⁸ (AGL) who became a member of the working group of the Goderdzi Alpine Botanical Garden (GABG) have signed an MOU with Khulo Municipality, BBG, Batumi Mayors Office, the Department of Tourism of Ajara and the programme and are due to sign a grant agreement for 100,000 USD to be used for the project. The Ajara Bee Keepers Business Association facilitated the second Ajara Honey Festival in August with increased support from the MOA of Ajara, Department of Tourism and Agri-Service Centre also supporting the festival and being visited by the Chairman of Ajara and other key functionaries.

EVOLUTION OF THE CONTEXT (IN PARTICULAR POLITICAL RISKS AND OPPORTUNITIES)

In the donor sphere ENPARD 2 which will focus on rural development based on LEADER (Links Between Actions of Rural Development) approach and Local Action Groups (LAGs) in regional municipalities and sustainable environmental management is due to award funds in September 2016. Some of these projects will be operating in AJ, SJ and KK regions. In Georgian policy, tax exemptions for businesses from mountainous regions are being awarded. The *Law on the Development of Mountainous Regions* was adopted in summer 2015 and came into force in January 2016 it includes certain income tax exemptions for certain domiciled individuals and operating enterprises registered in mountainous regions. Eleven eligible ALCP clients applied, six were granted status and five are waiting. Six more intend to apply. They were helped to register by the programmes BDS service provider and information on the scheme was spread through the programmes information networks on TV and newspapers and in trainings and consultations through the Women's Rooms. The EUAA & DCFTA and policy dialogue concerning the need for an informed and supportive approach by the government toward harmonization continues to be an issue of note²⁹ and ALCP interventions venturing into or with the goal of export in wool and honey, have revealed the extent to which capacity building and technical input to develop the necessary mechanisms within Georgia to access the potential of export to the EU are necessary. As noted in the stakeholder analysis maintaining a strong and efficacious NFA is vital to ongoing and planned interventions and the development and support of the Georgian agri sector. Ongoing efforts in honey include representatives of Georgian government, the EU ambassador and the Directorate General for Health and Food Safety positively estimating the progress of Georgia in developing a Residue Monitoring Plan over the past two years and addressing a recommendation to European Commission to enlist Georgia in the third country list. The laboratory in Tbilisi capable of carrying out the testing required for entry of honey into the EU is equipped and accredited but is not yet open apparently testing research procedures. The ALCP's efforts to help the client export wool have revealed detailed weaknesses within the system including in customs, logistics, postal systems not to mention in connectivity and shared understanding and standardized operating mechanisms between different institutions. The ALCP wool client and an enterprise in Tusheti have however been registered in the TRACES³⁰ systems mainly through the efforts of the NFA's chief veterinarian, however the framework conditions or (functions and rules) necessary for registering enterprises into the system need to be mainstreamed within the market system rather than only being able to be achieved through the personal intervention of key individuals. The NFA is still pursuing a pragmatic approach regionally towards production enterprises continuing active facilitation with the programme to convene meat, dairy and honey meetings for producers and dissemination of key information e.g. animal registration, HACCP requirements for meat and dairy, honey producer requirements to build towards third

²⁸ responsible for construction the hydro dam in Khulo & Shuakhevi municipalities and is searching for ideas for sustainable social improvements for people in the municipalities affected by the dam construction

²⁹ E.g. as illustrated in *Harmonize But do not Harm* Eric Livny ISET blog February 2015, where doing no harm is preferable to hastily implemented measures towards harmonization with the EU which must be undone.

³⁰ Trade Control and Expert System an online system that makes it easier for importers and exporters to provide health certification and track consignments of animals or animal products.

country registration, to key stakeholders. However National scale up is proving more difficult since the changes in appointments. Changes in the Ministry of Agriculture prior to elections in October may stand the programme in good stead ³¹. Concerning Brucellosis, the NFA with the FAO developed a final version of a Brucellosis Control Strategy which has nearly finished vaccinating animals in Tbilisi, Kakheti and will start vaccinating in Ajara in autumn. The SDC/ADA FAO Animal Registration Programme building on the ALCP/MOLI Pilot Animal Registration (see Annex 6 Annual Report February 2016) is due to start in autumn. A free trade agreement for wine, mineral water and agri-products has been signed with China which will come into force in the second half of 2017. The lari remains stable at around (September) 2.3 exchange rate with USD.

STRATEGIC LINK TO OUTCOMES OF COOPERATION STRATEGY AT COUNTRY LEVEL

Farmers and rural entrepreneurs acquire the knowledge and capacities to make more informed and efficient use of resources and market channels: All interventions aim to improve the acquisition and transfer of appropriate knowledge for SSLP's through key livestock related services and information dissemination concerning market information and legislation pertaining particularly to FS&H & animal disease. Increasingly efficacious consultancy services to businesses are providing increasingly expert advice. The national level intervention working to develop the sphere of agro journalism with the Georgian Association for Newspaper Journalists and Georgian Association of Television Journalists and the UNDP VET programme is boosting the depth and scale of the dissemination of information concerning supporting functions, market access and rules and behaviour change as a result is being increasingly documented. The programme is also tapping into social media as a means of further disseminating quality information.

Principles of disaster risk reduction with emphasis on prevention and reduction of vulnerability are applied at local level. The capacity building of the DRRWG's in each target municipality has resulted in the development of increasingly self-determined functions, including a target land use function, animal movement route monitoring and the human wildlife interface in Ajara. The programme is now seeking scale & sustainability through regional level backing of the function and the replication of the groups in Ajara. This is a priority as self- government comes increasingly to the fore in Georgia and local capacity will be sorely tested. BEAT assessments continue to be carried out with service provider clients mainstreaming the environmental 'Do No Harm' approach of the programme.

Interaction between target groups and local self-government is enhanced through institutional capacity building and participatory decision-making: The Access to Decision making for Women intervention continues to strengthen community links with local government for men and women. Increased participation of women in community voting on municipal priorities is leading to women led needs being fulfilled e.g. kindergartens, running water. The Advisory Committee provides the forum for regional players representing national, local and regional government, civil society and the private sector to tackle key issues in a participatory venue.

BILATERAL OR MULTILATERAL ISSUES OF NOTE FOR POLICY DIALOGUE

As in previous report (ALCP Annual February 28th 2016). Access to the EU markets requires Georgia to be on the [Third Country lists](#) for animal products and animal by products for or not for human consumption to allow them to register in the TRACES system. Two wool collection enterprises have been recently registered in the TRACES system (see evolution of the context) but this is more due to individual effort and continued programme facilitation rather than the fruit of a standardized system. Capacity and acknowledgement on behalf of the competent authorities of what steps are required, the development of a road map for key products and informed dissemination to the public of what this entails, following the

³¹ Outside the reporting period in September Ottar Danelia has been replaced by Levan Davitashvili with whom the programme has worked extensively over the animal movement route.

media frenzy on open markets and opportunity for Georgia on signing the DCFTA, which marked the public debate are still required. The National Food Agency remains pivotal in relation to the livestock market system and the mainstreaming of the key governance principles in their modus operandi, particularly in improved public information would aid in supporting potentially painful transitions for livestock sector actors. Increasingly, climate sensitive farming will come onto the agenda with an IFAD climate sensitive farming initiative in the pipeline. This is to be welcomed and supported as simple measures of water conservation, conservation agriculture direct drilling, seed varieties and afforestation would see easy gains for small holders, especially in areas such as Kakheti which is seeing the worst climate related effects. In Ajara a number of environmental and conservation programmes mainly centred on the national parks are coming on line, but emphasis needs to remain on how the small holder farmers can learn to co-exist, manage and benefit from the environment. The above noted ramifications of the EUAA & DCFTA and policy dialogue concerning an informed and supportive approach by the government toward harmonization continues to be an issue of note. The ongoing need for comprehensive government support to the rehabilitation of the veterinary sector was stated as a major point for policy dialogue in an SCO consultation on the matter. Disease notification and control remains a key topic in particular in relation to farmer notification and public notification of zoonoses, the government strategy on Brucellosis and safe and compliant disposal of carcasses are key issues. The direction agriculture in Georgia will take in the future and the role of the small scale livestock producer and the transition of a proportion of them to more commercial style agro enterprises within it in the context of environmental, economic and social sustainability continues to be in need of ongoing debate.

CHAPTER 2 – OUTCOMES ACHIEVED SINCE 2014

*Note: % achievement against target only refers to KK and AJ regions as targets were only set for these regions.

Table: 3 Achievements of Outcome³² Indicators Measured Against Target Values

OUTCOME1: The livestock market system functions more effectively in support of small scale livestock producers' access to target services, enabling their decision-making for improved productivity.		
Actual Alliances Finalized Programme Results <i>(SJ I & II phases: 2008-2014 & KK I phase: 2011-2014)</i>	To date Alliances Programme's & ALCP Results	
All targets in both regions have been met	Estimated ALCP Progress against targets <i>(SJ stand by phase: since Jan 2015, KK II phase: since March 2014, AJ: since March 2014)</i>	Alliances & ALCP Programme Aggregated Results <i>(SJ since: 2008, KK since 2011, AJ: since 2014)</i>
100% out of all 143 of communities covered by target services <i>(SJ: 77 out of 77; KK: 66 out of 66)</i>	114 out of all 114 new communities covered by target services: <i>Exceeding target 88% by 12% (KK: 52 out of 52; AJ: 62 out of 62)</i>	257 (100%) communities covered by target services: <i>(SJ: 77 out of 77; KK: 118 out of 118; AJ: 62 out of 62)</i>
43,030 SSLP's accessing target services & information (33% women / 67% Men) <i>(SJ: 25,870; KK: 17,160)</i>	537,277 (91,222 ³³ in the programme area) SSLP's accessing target services & information (41% women / 59% Men) <i>Exceeding target 14,000 by 532% (SJ: 2,718; KK: 52,691,</i>	580,307 SSLP's accessing target services & information (40% women / 60% Men) <i>(SJ: 28,588; KK: 69,851;</i>

³² Outcome values for NAIC have not been adjusted based on the Impact Assessment they remain a reflection of aggregated data per intervention which does not capture the impact of synergy, information and governance.

³³ The aggregated figures for scale in Table 1&2 are corrected for overlap i.e. one person accessing interventions from Outcome 1&2&3 figures are here reported as the number of individuals who have accessed the service.

	<i>AJ: 35,813; OPA: 413,433; EXP: 32,622)</i>	<i>AJ: 35,813; OPA: 413,433; EXP: 32,622)</i>
7,202,209 Gel generated as a NAIC due to more effective livestock market system functions for SSLPs (2,376,729 for HH with women access / 4,825,480 for men) <i>(SJ: 4,878,173; KK: 2,324,036)</i>	19,748,754 Gel (8,149,671 Gel in the programme area)_generated as a NAIC due to more effective livestock market system functions for SSLPs (8,096,989 for HH with women access / 11,651,765 for men) <i>Exceeding target 1.3 million by 449% (SJ: 1,012,610; KK: 6,330,219; AJ: 806,842; OPA: 11,599,083)</i>	26,950,963 Gel generated as a NAIC due to more effective livestock market system functions for SSLPs (10,473,718 for HH with women access / 16,477,245 for men) <i>(SJ: 5,890,783; KK: 8,654,255; AJ: 806,842; OPA: 11,599,083)</i>
342 of service providers &/or input suppliers ³⁴ with improved business practices/acumen & outreach to SSLPs markets <i>(SJ: 287; KK: 55)</i>	293 new service providers &/or input suppliers with improved business practices/acumen & outreach to SSLPs markets <i>Exceeding target 150 by 95% (KK: 202; AJ: 91)</i>	635 of service providers &/or input suppliers with improved business practices/acumen & outreach to SSLPs markets <i>(SJ: 287; KK: 257; AJ: 91)</i>
26% Increase in total value of sales of services and inputs of programme facilitated service providers <i>(SJ: 29%; KK: 21%)</i>	54% Increase in total value of sales of services and inputs of programme facilitated service providers <i>Exceeding target 20% by 28% (SJ: 43%; KK: 62%; AJ: 37%)</i>	39% Increase in total value of sales of services and inputs of programme facilitated service providers <i>(SJ: 36%; KK: 45%; AJ: 37%)</i>
32 entities crowding in <i>(SJ: 13; KK: 19)</i>	26 entities crowding in <i>Corresponding 57% out of targeted 30 (SJ: 9; KK: 17)</i>	58 entities crowding in <i>(SJ: 22; KK: 36)</i>
# of entities starting to export N/A	1 entity starting to export <i>(Roki exported 867,041 Gel worth of vet pharmacies in Azerbaijan (837,041 Gel) and Ukraine (30,000 Gel). (KK: 1)</i>	1 entity starting to export <i>(KK: 1)</i>
OUTCOME 2: The livestock market system and Adjarian tourist market provide enhanced market access and terms of trade for small scale livestock producers		
Actual Alliances Finalized Programme Results <i>(SJ I & II phases: 2008-2014 & KK I phase: 2011-2014)</i> All targets in both regions have been met	To date Alliances Programme's & ALCP Results	
	Estimated ALCP Progress against targets <i>(SJ stand by phase: since Jan 2015, KK II phase: since March 2014, AJ: since March 2014)</i>	Alliances & ALCP Programme Aggregated Results <i>(SJ since: 2008, KK since 2011, AJ: since 2014)</i>
100% out of all 143 of communities covered by target services <i>(SJ: 77 out of 77; KK: 66 out of 66)</i>	92 out of all 114 new communities covered by target services: <i>Exceeding targeted 20% by 61% (KK: 45 out of 52; AJ: 47 out of 62)</i>	235 communities covered by target services <i>(SJ: 77 out of 77; KK: 111 out of 118; AJ: 47 out of 62)</i>

³⁴ Clients and entities.

22,665 SSLP's with improved market access and better terms of trade (64% women / 36% Men) (SJ: 14,345; KK: 8,320)	18,986 SSLP's with improved market access and better terms of trade (45% women / 55% Men) <i>Exceeding targeted 14,000 by 26%</i> (SJ: 1,348; KK: 15,529; AJ: 2,109 ³⁵)	41,651 SSLP's with improved market access and better terms of trade (56% women / 44% Men) (SJ: 15,693; KK: 23,849; AJ: 2,109)
2,255,936 Gel generated as a NAIC due to improved market access and better terms of trade for SSLP's (1,443,799 for HH with women access / 812,137 for men) (SJ: 1,073,388; KK: 1,182,548)	4,339,839 Gel generated as a NAIC due to improved market access and better terms of trade for SSLP's (1,952,928 for HH with women access / 2,386,911 for men) <i>Exceeding targeted 1.3 million by 167%</i> (SJ: 759,195; KK: 3,168,936; AJ: 304,243; OPA: 107,465)	6,595,775 Gel generated as a NAIC due to improved market access and better terms of trade for SSLP's (3,396,727 for HH with women access / 3,199,048 for men) (SJ: 1,832,583; KK: 4,351,484; AJ: 304,243; OPA: 107,465)
N/A	151 processing, intermediary & HoReCa ³⁶ entities integrating food safety compliance and good management practices into business planning <i>Exceeding targeted 30 by 403%</i> (SJ: 13; KK: 48; AJ: 90)	151 processing, intermediary & HoReCa entities integrating food safety compliance and good management practices into business planning (SJ: 13; KK: 48; AJ: 90)
N/A	81 ³⁷ HoReCa entities serving compliant products ³⁸ <i>Exceeding targeted 9 by 644%</i> (SJ: 20; KK: 21; AJ: 46)	81 of HoReCa entities serving compliant products (SJ: 20; KK: 21; AJ: 46)
33% increase in volume & value of trade of dairy products through supported/compliant entities (SJ: 50%; KK: 21%)	93% increase in volume & value of trade of dairy products through supported/compliant entities <i>Exceeding target 20% by 66%</i> (SJ: 90%; KK: 98%; AJ: 36%)	70% increase in volume & value of trade of Dairy products through supported/compliant entities (SJ: 70%; KK: 75%; AJ: 36%)
N/A	10.3% ³⁹ share of exported products out of total increase in volume & value of trade of SSLP's through supported/compliant entities <i>Corresponding 100% out of targeted 3%</i> (KK: 3%)	10.3% share of exported products out of total increase in volume & value of trade of SSLP's through supported/compliant entities (KK: 3%)
# of entities starting to export N/A	3 entities starting to export (<i>Georgian Wool Company, Tsalka Dairy Products & Alali Slaughterhouse.</i>) (KK: 3)	3 entities starting to export (KK: 3)
5 entities copying &/or crowding in	21 entities copying &/or crowding in <i>Corresponding 30% out of targeted 33</i>	26 entities copying &/or crowding in

³⁵ In AJ 3,028 households used the outcome 2 services, however it is estimated that 30% used more than one service (overlap rate).

³⁶ Hotels, Restaurants Catering Sector.

³⁷ There is an overlap between regions, because some cheese factories from Samtskhe-Javakheti and Kvemo Kartli supply cheese to the same HoReCa entities.

³⁸ This indicator includes big supermarket chains as well.

³⁹ 96,460 Gel of wool exported: 42 tones in Ukraine and 19 tones in India. Also, Tsezari dairy factory exported 19,200 Gel cheese in USA. 3.375 million gel of livestock.

(SJ: 2; KK: 3)

(SJ: 11; KK: 8; AJ: 2)

(SJ: 13; KK: 11; AJ: 2)

OUTCOME 3: Small scale livestock producers' benefit from a more efficient and resilient operating environment.		
Actual Alliances Finalized Programme Results	To date Alliances Programme's & ALCP Results	
<i>(SJ I & II phases: 2008-2014 & KK I phase: 2011-2014)</i> All targets in both regions have been met	Estimated ALCP Progress against targets	Alliances & ALCP Programme Aggregated Results
	<i>(SJ stand by phase: since Jan 2015, KK II phase: since March 2014, AJ: since March 2014)</i>	<i>(SJ since: 2008, KK since 2011, AJ: since 2014)</i>
11 joint public/private sector agricultural initiatives <i>(SJ: 3; KK: 8)</i>	91 ⁴⁰ joint public/private sector agricultural initiatives <i>Exceeding target 10 by 810% (KK: 43; AJ: 48)</i>	102 joint public/private sector agricultural initiatives: <i>(SJ: 3; KK: 51; AJ: 48)</i>
106 village representatives with increased awareness of the needs of women taking part in local decision making <i>(SJ: 81; KK: 25)</i>	406 ⁴¹ village representatives with increased awareness of the needs of women taking part in local decision making <i>Exceeding target 140 by 138% (SJ: 73; KK: 118; AJ: 215)</i>	512 village representatives with increased awareness of the needs of women taking part in local decision making <i>(SJ: 154; KK: 143; AJ: 215)</i>
66 ⁴² quality disaster risk monitoring & outreach (preparedness & mitigation) measures implemented <i>(SJ: 50; KK: 16)</i>	30 ⁴³ quality disaster risk monitoring & outreach (preparedness & mitigation) measures implemented <i>Exceeding target 12 by 150% (KK: 15; AJ: 15)</i>	96 quality disaster risk monitoring & outreach (preparedness & mitigation) measures implemented <i>(SJ: 50; KK: 31; AJ: 15)</i>
New Indicator	% of SSLP's with sense of increased support by public services ⁴⁴ N/A	% of SSLP's with sense of increased support by public services N/A

ASSESSMENT OF OUTCOME ACHIEVEMENT AND LIKELIHOOD OF ACHIEVING THE OUTCOMES IN THE CURRENT PHASE.

As in previous report except shaded addition. All targets have been met or exceeded for the target beneficiaries clearly indicating that outcomes are being successfully achieved. Scale up is proceeding with national outreach in veterinary, information, FS&H, BDS, dairy, wool, meat, gender and DRR. Export is occurring in veterinary, wool, dairy and meat interventions. Following the pattern of previous phases, Outcome 1 supporting functions are being rolled out and the support services for Outcome 2 i.e. BDS, FS&H, technical consultancy and engineer, are fully supporting the production enterprises opened in Kvemo Kartli and Ajara in this year. HoReCa sector interventions are now gaining serious traction. Outcome 3 Governance interventions in gender and DRR are maturing with advocacy at a national level

⁴⁰ KK 1 advisory committee meeting, 10 KKRDA information & consultation meetings, 28 regional & municipal DRRWG meetings in KK and 39 in AJ, AMR 3 Projects, AJ 3 advisory committee meetings, 2 honey festivals, 2 botanical garden initiatives, Roki meeting with MOAA Information Centers, Ecofilms and Goderdzi alpine garden.

⁴¹ Also, 9 regional coordinators from Ministry of Regional Development and Infrastructure trained about the needs of women taking part in local decision making.

⁴² Imprescon, 6 DRR Working Groups, 46 BEAT Assessments, 13 Advisory Committee Meetings.

⁴³ New DRR WG's 5 KK, 5 AJ; Free hotline service in 5 municipalities in AJ and 4 municipalities in KK. New DRR coordinators at municipalities were appointed (KK: 6; AJ: 5)

⁴⁴ This indicator will be measured during the next impact assessment

and local/regional/national linkages and initiatives strengthening. In Ajara maturing entry points at all levels of government linking into the momentum of the wider governance interventions in DRR and Governance, with context specific emphasis on issues linked to the rural tourism market are well underway.

INFORMATION ON DIRECT AND INDIRECT UNINTENDED EFFECTS OF PROGRAMME INTERVENTIONS

As the programme has grown the direct and unintended effects have multiplied. The programme captures both through its systematic qualitative monitoring system. Please see a full description of both in *Annex 1, 2 & 3*. The *Systemic Change Log Annex 3* indicates if the changes are direct or indirect. In addition to the programme level effects on service providers and farmers described in Annex 1, some diverse impacts of note are being observed.

The impact of the ALCP is being seen in diverse sectors. *At the service provider level:*

Signs of Growth in Export Markets: Tsezari Cheese Company beginning in June has exported 1,200 kgs of Smoked Sulguni Cheese to date, to New York, US. HACCP compliant cheese production, quality and the ability to provide a regular supply was the reason *Sun Breath Corps* a Georgian distribution company based in New York contacted *Tsezari* through contacts related to the programme to export the cheese. *Roki Ltd* in a partnership with *Tekro Ukraine* a Ukrainian veterinary supply company tested *Rumifos* a feed additive for three years and based on results have signed an agreement for Roki to supply \$300,000 worth of the additive to the supplier for distribution and sale. *Roki* has also increased sales by 29% in Azerbaijan compared to the previous year. *The Georgian Wool Company* has exported 40 tons of wool to Ukraine, replacing the Turkish market with better payment conditions and more reliable partners. FS&H consultancy firm *Star Consulting* has established [Global GAP](#)⁴⁵ in a mushroom producing company in Armenia; *Gurjaani Ice Cream* took *Star Consulting* to Turkey to do an assessment of an enterprise who the *Gurjaani* company is going to work with, *Star Consulting* used the programme facilitated assessment models.

Deepening functions and stability within sectors: The effect of the Government Agri Credit programme facilitated dairy producers is continuing, 2 more dairy producers in KK borrowed \$60,000, in addition to the 9 dairy producers in SJ and 3 in KK who have received funds. 11 companies in AJ have received 80,000 Gel in total from the State Programme *Produce in Georgia* with the help of the BDS consultancy firm *Intellect*, who are facilitated by the programme. Up to 7 universities are going to integrate the Agri Journalism course to their programmes for the next year in addition to the 5 integrating them this year. The Embassy of Estonia is taking 42 TV journalists (2 media practitioners from each of the 21 regional TV stations in Georgia) to Estonia regional TV stations to share their experience of agro reporting after they saw the new Georgian Association of Regional Broadcasters agro programme production studio facilitated by the programme. The Public Broadcaster hired the head of *Momavlis Fermeri/ Farmers of the Future* association (under the Agro Development Group to which *Roki* belongs) to do a consultancy job for their TV programme *Perma*, the programme facilitated the linkages between them. *Perma's* presenter has started studying in the Agrarian University, after the programme facilitated agri journalism training inspired him to learn more about agriculture. The Agrarian Market in Batumi has bought 15 refrigerated counters for the chicken section, 6 for the sausage and 30 for the meat sections after seeing the benefit of the 40 new dairy refrigerated counters facilitated by the programme.

In the government sector: Both local and national governments are reacting to new practices/behaviours. Akhaltsikhe municipality has allocated funds to establish 7 village houses which provide services similar to those of the municipality women's room and based on the model. In Adjara The MOAA *Agroservice Centre* and the Ministry of Culture's Agency of *Cultural Heritage Preservation* allocated funds for the

⁴⁵ Good Agricultural Practice. 'The Global G.A.P is the world's leading farm assurance program, translating consumer requirements into Good Agricultural Practice in a rapidly growing list of countries – currently more than 100'.

Adjarian Beekeepers Business Association to organize this year's Honey Festival which was funded solely by the programme last year. Marneuli local-self-government allocated a million gel for a project *Participatory Budget* and funded 50 initiatives, 16 of which were women's, they used the Marneuli Women's Room for promotion of the project among rural residents, helping them in filling forms and writing projects, using the internet and computer.

INFORMATION ON PROGRESS OF THE IMPLEMENTATION OF SCO TRANSVERSAL THEMES⁴⁶

Overall Outcome three has seen indications of sustainability by a growth in momentum as illustrated in the scale and diversity (see p17) of 91 joint public/private sector agricultural initiatives that have been conducted in the programme area and in the customisation of these initiatives by their users to suit the individual purposes above and beyond the original models introduced by the programme.

Batumi Botanical Garden (BBG): Facilitation with Batumi Botanical Garden (BBG) to create a Goderdzi Alpine Garden (GAG) moved forward verbal commitments of the six stakeholders are now reflected in an MoU. After signing the MoU a hydropower company Ajaritsquali has agreed to co-finance the GAG project with 100,000 USD (money transferred in October); Ajara Tourism department allocated the funds in their budget for GAG promotion; Khulo municipality will mend the municipal road from the central road to the garden in 2017; Batumi City Hall secured and transferred 10 ha to the GAG; BBG allocated in its budget GAG's operational costs for 2017; Munich Botanical Garden representatives visited the GAG and will continue technical backstopping of the garden into its future; the GAG has joined the family of *Alpine and Arctic Gardens in Europe*, the ALCP facilitated and financed a topographic map and Architectural & Engineering plan of GAG. Now the fencing of the garden is ongoing. The programme is facilitating other infrastructure constructions as well to ensure that the GAG has the basic infrastructure to host the first visitors for next summer. (See Annex 6 Progress Report)

The BBG's eco educational project 'Closer to Nature': In August with the facilitation of ALCP the municipal Women's Rooms were engaged in the selection process of 40 schoolchildren from different villages to participate in the BBG 4 weeks educational project from 1st of October 2016. By increasing awareness of the youth on the environmental issues and introducing biodiversity and unique nature of each municipality, the project will stimulate their interest to generate their own ideas and be involved in local livelihood initiatives that encompass the build on the benefits of their environment.

Advisory Committee(AC): The ALCP AJ AC meeting was held to introduce Batumi Agro Market's dairy products section project to stakeholders and ensure their support for its successful implementation in April. As a result the participants agreed to launch a social campaign called 'Do not purchase in the street'. Gamgebelis of 5 municipalities and a representative of Batumi city hall expressed willingness to eradicate street trade in their municipalities and renovate the agro markets in the municipalities. The ALCP KK AC meeting on the Animal Movement Route & its Bio Security Points held on 16th of September with main stakeholders of the AMR – the Ministry of Economics, the Ministry of Agriculture, The National Food Agency, The Georgian Shepherds Association, KK municipalities & the Governor's office discussed ongoing management, building, fulfillment of government obligations, land appropriateness and the provision of resting areas and water points and resolving conflicts between local residents and shepherds.

AMR & BSPs: In May 2016 the AMR Bio Security Points (BSP's) started operation in Rustavi and Marneuli municipalities. One more BSP financed by the NFA was built in Dedoplistskaro municipality, Kakheti (Construction works are finished, water supply to be connected) and construction costs for the final two

⁴⁶ As noted by Springfield in the last but one backstopping report and in the previous annual report the better the tangibility of governance / DRR/ gender challenges issues addressed the better the incentive for market players to address them.

more is in the 2017 budget of the NFA. In spring 2016 the Veterinary Department of the NFA became responsible for the management of BSPs. 3 staff members were assigned to control and manage the BSPs in the central office of the NFA; 12 staff members (4 vets, 4 vet assistants, 4 guards) were hired and assigned to the BSPs. The NFA started maintaining a database of the seasonal transhumance. ALCP has facilitated the implementation of a safe waste management system at BSPs by initiating the joint meetings of the NFA and the MOE (Ministry of Environment) and by sharing the recommendations of international experts. According to the data provided by the NFA 10,165 cattle and 44,136 sheep were showered & dipped in May and June at Marneuli and Rustavi BSPs in the first use of the points.

DRR: 12 Municipal DRR WGs in KK and AJ are working. The ALCP facilitated the appointment of 11 municipal DRR focal points in KK and AJ municipalities who are responsible to coordinate municipal DRR working groups. The *Regional DRR & Animal Disease Control Commission* at KK Governor's office was established and held 2 quarterly meetings in the reporting period where the members have discussed the municipal DRR WGs' activities and the problems connected to the animal health & disease notification, animal seasonal movement through the Animal Movement Route, community pastures etc. DRR WGs of 5 municipalities of AJ had a study tour in Kakheti and Tusheti in July organized by the ALCP AJ service contractor Black Sea Eco Academy (BSEA). The BSEA is now finishing 3 publications: a teaching module for schools on local wildlife, a farmers' handbook on agro-eco tourism and guidelines for the municipal DRR WGs. The BSEA will train 200 teachers from AJ schools in October 2016.

Work on Women's Economic Empowerment: The national level [*Guidelines for the Implementation of the Gender Equality Policy of Georgia by Local Self-Government Bodies*](#) have been updated by the programme and printed to include changes in the relevant laws; these easy guidelines are aimed to help key people in LSGs responsible for implementing Gender Equality in their day to day activities. During the reporting period the Programme remained focused on women's active involvement in village meetings which are the main fora for the rural people to participate in LSG and to influence local decisions. As a result of the Gender Workshop provided by the programme to the nine MRDI regional coordinators, all 65 municipalities in the country received the recommendations to make sure that women and men from villages have equal access to meetings and collect gender disaggregated data from the meetings and report on it. The MRDI itself has not collected and analyzed the results of these trainings and dissemination of these recommendations as they are not currently required to do it by ministry statute but this information is available at municipal levels. The programme will attempt to facilitate the MRDI to collate this data for use and presentation to the CEDAW report. 10,981 female participants (27%) out of a total of 41,016 people attended the spring village meetings in the programme area which resulted in financing 52 women's instigated initiatives worth 610,632 GEL in total. The women mostly voted for water access, building children's playgrounds, renovation of kindergartens, rehabilitation of village libraries & arrangement of village waste systems. A good example of behavior change at LSG level was Marneuli where the local Gangeoba set up a special project and the Women's Room encouraged rural women to participate. As a result 16 women's initiated projects (besides the above mentioned 52 initiatives) were financed from the local budget in the last six months. (See the Annex 4/Infographics: *Women's Participation in Community Meetings; Women's Instigated Initiatives*)

Womens Rooms Sustainability: 18 Women's Rooms are fully operating and making more impact in the 18 municipalities of KK, AJ and SJ. In Kobuleti municipality, the 19th and final Women's Room will be opened in October, all municipalities in AJ, SJ and KK now have rooms. All Women's Rooms' operational costs are paid by the municipalities. The Women's Rooms managers have become the key staff members for the heads of Gangeoba and some of them fulfill the role of the Gender Advisor of municipality as well. (See the Annex 4/Infographic *Women's Access to decision making – WR's Aggregated Data*). The Women's Rooms in AJ have developed a new Business Consultation service. They are helping their visitors to write business projects and apply for the state programmes such as *Produce in Georgia, Micro Grants for Mountainous Region Development, Start-up Georgia*, etc. From April to date more than 110 business

consultations were provided in all 5 Women’s Rooms of AJ; 19 business projects written after these consultations of a total value 154,000 GEL (out of them 16 projects from women) have already been financed. The women’s projects were for starting up guesthouses, fishery, laundry, restaurant and a flower shop. The Governor of Kvemo Kartli has appointed a Women’s Rooms Regional Coordinator at his office who will be responsible to coordinate and support the municipal Women’s Rooms in the region.

ILLUSTRATION OF THE PERSPECTIVES OF INVOLVED STAKEHOLDERS

An assortment of illustrative statements representing the perspectives of different programme stakeholders for each output under each outcome has been compiled and can be found in *Annex 2*. As the programme grows and impact through crowding in and sector wide behaviour change increases so does the diversity of these statements and the stakeholders who have uttered them, including people from outside the programme area and direct programme remit.

**CHAPTER 3: OUTPUTS AND PERFORMANCE ACCORDING TO YEARLY PLAN OF OPERATIONS
2015**

SUMMARY OF OUTPUT DELIVERY AND THEIR CONTRIBUTION TO OUTCOMES

Table 4 below provides a breakdown of impact per output.

Table 4: Summary of Outputs Against Log frame Indicators

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.		
Actual Alliances Finalized Programme Results <i>(SJ I & II phases: 2008-2014 & KK I phase: 2011-2014)</i>	Estimated ALCP Achievements <i>(SJ stand by phase: since Jan 2015, KK II phase: since March 2014, AJ: since March 2014)</i>	Alliances & ALCP Programme Aggregated Results <i>(SJ since: 2008, KK since 2011, AJ: since 2014)</i>
100% out of all 143 of communities covered by target services <i>(SJ: 77 out of 77; KK: 66 out of 66)</i>	114 out of all 114 new communities covered by target services: <i>(KK: 52 out of 52; AJ: 62 out of 62)</i>	257 (100%) communities covered by target services: <i>(SJ: 77 out of 77; KK: 118 out of 118; AJ: 62 out of 62)</i>
1,340,406 Gel value of sales of animal health services: <i>562,971 Gel value of sales to women</i> <i>1,273,386 Gel value of sales to SSLPs</i> <i>(SJ: 612,444; KK: 727,962)</i>	14,234,599 Gel value of sales of animal health services: <i>5,836,185 Gel value of sales to women</i> <i>13,522,869 Gel value of sales to SSLPs</i> <i>(SJ: 830,040; KK: 1,738,539; AJ: 309,505; OPA: 10,519,474; EXP: 837,041)</i>	15,575,005 Gel value of sales of animal health services: <i>6,399,156 Gel value of sales to women</i> <i>14,796,255 Gel value of sales to SSLPs</i> <i>(SJ: 1,442,484; KK: 2,466,501; AJ: 309,505; OPA: 10,519,474; EXP: 837,041)</i>
Output 1.2: Facilitated improvements to business practices and outreach of livestock breeding service providers to access wider SSLP markets with affordable & appropriate products.		
122 communities served by breeding service providers <i>(SJ: 63; KK: 59)</i>	68 communities served by breeding service providers <i>(KK: 19; AJ: 49)</i>	190 communities served by breeding service providers <i>(SJ: 63; KK: 78; AJ: 49)</i>

55,088 Gel value of sales of breeding service providers: <i>11,018 Gel value of sales to women</i> <i>52,334 Gel value of sales to SSLPs</i> <i>(SJ: 39,644; KK: 15,444)</i>	156,804 Gel value of sales of breeding service providers: <i>26,656 Gel value of sales to women</i> <i>148,963 Gel value of sales to SSLPs</i> <i>(SJ: 91,770; KK: 49,374; AJ: 15,660)</i>	211,892 Gel value of sales of breeding service providers: <i>37,674 Gel value of sales to women</i> <i>201,297 Gel value of sales to SSLPs</i> <i>(SJ: 131,414; KK: 64,818; AJ: 15,660)</i>
Output 1.3: Facilitated improvements to business practices and outreach of nutritional input & service providers to access wider SSLP markets with affordable & appropriate products.		
108 communities served by nutrition input service providers <i>(SJ: 77; KK: 31)</i>	97 new communities served by nutrition input service providers <i>(KK: 97)</i>	205 communities served by nutrition input service providers <i>(SJ: 77; KK: 128)</i>
3,698,665 Gel value of sales of nutrition input service providers: <i>612,213 Gel value of sales to women</i> <i>3,421,193 Gel value of sales to SSLPs</i> <i>(SJ: 3,450,741⁴⁷; KK: 247,924)</i>	883,772 Gel value of sales of nutrition input service providers: <i>238,618 Gel value of sales to women</i> <i>839,583 Gel value of sales to SSLPs</i> <i>(SJ: 58,797; KK: 824,975)</i>	4,582,437 Gel value of sales of nutrition input service providers: <i>850,831 Gel value of sales to women</i> <i>4,260,776 Gel value of sales to SSLPs</i> <i>(SJ: 3,509,538; KK: 1,072,899)</i>
2 different nutritional inputs sold	1 new type of nutritional input sold	3 different nutritional inputs sold
3 municipalities covered by crowding in results outside of programme area	3 ⁴⁸ new municipalities covered by crowding in results outside of programme area	6 municipalities covered by crowding in results outside of programme area
Output 1.4: Facilitated improvements to access of SSLP's to appropriate information to support use of target services and decision making related to improved and more secure productivity		
38 information channels with agricultural content ⁴⁹ of newspapers/of TV programmes/ of internet sites <i>(SJ: 19; KK: 19)</i>	21 ⁵⁰ new information channels with agricultural content of newspapers/of TV programmes/ of internet sites <i>(KK: 18; AJ: 3)</i>	59 information channels with agricultural content of newspapers/of TV programmes/ of internet sites <i>(SJ: 19; KK: 37; AJ: 3)</i>
21,176 information consumers of products that have agricultural content <i>19,058 Women readership/access</i> <i>20,117 SSLP's readership/access</i> <i>(SJ: 7,838; KK: 13,338)</i>	258,041 information consumers of products that have agricultural content <i>234,857 Women⁵¹ readership/access</i> <i>245,180 SSLP's readership/access</i> <i>(KK: 61,095; AJ: 28,347; OPA: 125,094; Online: 187,000⁵²)</i>	279,217 information consumers of products that have agricultural content <i>253,915 Women readership/access</i> <i>265,297 SSLP's readership/access</i> <i>(SJ: 7,838; KK: 74,433; AJ: 28,347; OPA: 125,094; Online: 187,000)</i>
Output 1.5: Facilitated improvements to access to financial services for livestock market system SMEs & SSLP's.		
6 SME's & SSLP's using financial services in agricultural related transactions	637 new SME's & SSLP's using financial services in agricultural related transactions	643 SME's & SSLP's using financial services in agricultural related transactions

⁴⁷ In case of SJ, the results of the machinery intervention is included in Output 1.3.

⁴⁸ Zugdidi, Ozurgeti & Sagaredjo

⁴⁹ DRR WG (6), Women's Rooms (3), Vet Pharmacies (23), Newspapers "Trialetis Exspress" & "Samkhretis Karibche", TV Programme "Chveni Ferma", Farvana TV, Imperia TV, "Evreka TV"

⁵⁰ GRMA & GARB regional media associations, Elva, Adjara PS, Green light studio production.

⁵¹ Independently or together with other HH members (88% in case of newspaper and 92% in case of TV).

⁵² These numbers come from Facebook and YouTube. However, it does not necessarily mean that all of the viewers are farmers. Also, there might be a high rate of overlap between traditional and new media users. The is why aggregated figure is not updated. Adjustment will be made after the impact assessment surveys.

0 women among SMEs and SSLP's gaining access (KK: 6)	134 women among SMEs and SSLP's gaining access (KK: 614; AJ: 23)	134 women among SMEs and SSLP's gaining access (KK: 620; AJ: 23)
1,560 of SSLP's served by SME's, or SSLP's using machinery and equipment bought through financial services (KK: 1,560)	10,158 of SSLP's served by SME's, or SSLP's using machinery and equipment bought through financial services (KK: 9,938; AJ: 220)	11,718 of SSLP's served by SME's, or SSLP's using machinery and equipment bought through financial services (KK: 11,498; AJ: 220)
Output 2.1: Increased awareness & adherence of value-chain actors to food-safety, hygiene management standards and best practices facilitated.		
N/A	87 supermarkets & HoReCa sector actors making changes to inspection procedures & sourcing practice (AJ: 87 ⁵³)	87 supermarkets & HoReCa sector actors making changes to inspection procedures & sourcing practice (AJ: 87)
N/A	16 advocacy initiatives to/from consumer/producer groups towards government, supermarkets and media (SJ: 2; KK: 8; AJ: 6) ⁵⁴	16 advocacy initiatives to/from consumer/producer groups towards government, supermarkets and media (SJ: 2; KK: 8; AJ: 6)
Output 2.2: Increased access to FS&H, business & tourism consultancy support services for SME's s supplied by SSLP's facilitated.		
49 value-chain actors actively taking measures that will lead them to food-safety law compliance (SJ: 35; KK: 14)	254 ⁵⁵ new value-chain actors actively taking measures that will lead them to food-safety law compliance (SJ: 19; KK: 67; AJ: 168)	303* value-chain actors actively taking measures that will lead them to food-safety law compliance (SJ: 54; KK: 81; AJ: 168)
76 CPC staff were trained on FS&H topics (SJ: 21; KK: 55)	56 ⁵⁶ new CPC staff were trained on FS&H topics (SJ: 8; KK: 25; AJ: 23)	132 CPC staff were trained on FS&H topics (SJ: 29; KK: 80; AJ: 23)
2,969 of milk supplier SSLP's receiving trainings on food-safety, hygiene management standards (SJ: 1,297; KK: 1,672)	4,476 milk supplier SSLP's receiving trainings on food-safety, hygiene management standards (2,820 women/1,656 men) (SJ: 616; KK: 2,536; AJ: 1,324)	7,445 of milk supplier SSLP's receiving trainings on food-safety, hygiene management standards (SJ: 1,913; KK: 4,208; AJ: 1,324)
N/A	144 HoReCa sector actors receiving trainings on food safety and hygiene (KK: 10; AJ: 134)	144 HoReCa sector actors receiving trainings on food safety and hygiene (KK: 10; AJ: 134)
29 value-chain actors taking GMP assessment (SJ: 21; KK: 8)	23 new value-chain actors taking GMP assessment (SJ: 1 KK: 14; AJ: 8)	52 of value-chain actors taking GMP assessment (SJ: 22; KK: 22; AJ: 8)

⁵³ 63 HoReCa representatives and 17 guesthouse owners were trained, out of which 53 updated new FS&H practices. In April 23 restaurants' representatives and 34 supermarkets' representatives were trained, as a result 60% of them updated new FS&H practices.

⁵⁴ KK: ALCP facilitated 12 NFA meetings: **Note:** Indicator slightly broadened with addition of 'to' and 'producer' to capture changes in the operating environment with supermarkets, media and NFA more galvanized than anticipated. At the time of creating the log frame the NFA was far less active and it was anticipated that consumer groups would be facilitated to lobby the NFA etc.

⁵⁵ NFA and Star consulting provided information and consultancy to value chain actors.

⁵⁶ Also, 17 staff of Batumi Agro market, Bakuri Ltd trained on FS&H in June 2016

46 enterprises have received BDS services on business/marketing plans (including for rural tourism) (SJ: 35; KK: 11)	20 new enterprises have received BDS services on business/marketing plans (including for rural tourism) (SJ: 1; KK: 10; AJ: 9)	66 enterprises have received BDS services on business/marketing plans (including for rural tourism) (SJ: 36; KK: 21; AJ: 9)
47 enterprises have been through BEAT assessment (SJ: 40; KK: 7)	18 enterprises have been through BEAT assessment (SJ: 1; KK: 11; AJ: 6)	65 enterprises have been through BEAT assessment (SJ: 41; KK: 18; AJ: 6)
15 enterprises/ value-chain actors receiving HACCP trainings (SJ: 13; KK: 2)	12 enterprises/ value-chain actors receiving HACCP trainings (KK: 7; AJ: 5)	27 enterprises/ value-chain actors receiving HACCP trainings (SJ: 13; KK: 9; AJ: 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.		
31 (25 milk/ 3 slaughterhouses/ 2 livestock markets/1 wool) enterprises with increased capacity/utilization of milk and meat, wool and hide (SJ: 23; KK: 8)	17 new enterprises with increased capacity/utilization of milk and meat, wool and hide (SJ: 1; KK: 9; AJ: 7)	48 enterprises with increased capacity/utilization of milk and meat, wool and hide (SJ: 24; KK: 17; AJ: 7)
# of processors of meat and milk, wool and hide starting to export N/A	3 ⁵⁷ processors of meat and milk, wool and hide starting to export (KK: 2)	3 processors of meat and milk, wool and hide starting to export (KK: 2)
All 100% of SSLP producers engaging with supported entities		
45% of producers directly engaging with supported entities are women		
N/A	11 value-chain actors ⁵⁸ in dairy sector gaining access to Ajaran Rural Tourism market, HoReCa sector & supermarkets (SJ: 3; KK: 6; AJ: 2)	11 value-chain actors in dairy sector gaining access to Ajaran Rural Tourism market, HoReCa sector & supermarkets (SJ: 3; KK: 6; AJ: 2)
N/A	3 ⁵⁹ value-chain actors in meat sector gaining access to Ajaran Rural Tourism market, HoReCa sector & supermarkets (KK: 1; AJ: 2)	3 value-chain actors in meat sector gaining access to Ajaran Rural Tourism market, HoReCa sector & supermarkets (KK: 1; AJ: 2)
Output 3.1: Development of improved relationships between market actors, local government and key government agencies in promoting growth in livestock market system facilitated.		
18 consultation fora between local government & agricultural market actors to address agricultural sector priorities	20 ⁶¹ consultation fora between local government & agricultural market actors to address agricultural sector priorities	38 consultation fora between local government & agricultural market actors to address agricultural sector priorities

⁵⁷ Georgian Wool Company exports in Ukraine and India. Also, dairy factory, Tsezari, started exporting cheese in New York. Alali to Near East.

⁵⁸ **Note** this indicator has been expanded to denote the formalization of the sector as well as to capture any supply from farmers into the Ajaran Rural Tourism Market. It is a new indicator for this phase, however in the last phase Tsezari entered as Carrefour's largest supplier of Sulguni cheese and main supplier to HoReCa sector in Batumi and T, Kakhadze is the supplier for the khajapuri chain Majakhela. In this phase: Akhali Meskheti, Tshipora Samtskhe, Georgian Business Zone (SJ: 3), Tsesari, Milkeni, BMB, Cheesline, Khinikadze, Temuri Kakhadze (KK: 6), Naturaluri productsia, Elgudja Baramidze (AJ: 2) supply cheese to the big supermarkets chain.

⁵⁹ Shula (KK: 1) and Ori gio (AJ: 1) supply meat to the kindergartens; Iveri Zoidze supplies meat to the supermarket

⁶¹ Tsintsarko coordination in Regional WGs, RDA strategy formation workshop, 4 Advisory committee meetings (KK: 1; AJ: 3), 1 Animal movement working group in MOA & NFA, 1 initiation for including Georgian wool in EU trace system; 2 botanical garden initiatives. 10 KKRDA information & consultation meetings.

(SJ: 12 ⁶⁰ ; KK: 6)	(KK: 15; AJ: 5)	(SJ: 12; KK: 21; AJ: 5)
<i>26% women representatives involved in consultation fora</i>		
Output 3.2: Improved quality and equity of governance in the livestock market system facilitated. & Gender sensitive municipality services		
1,214 women using services: (SJ Kindergartens: 559; KK Women's rooms: 655)	12,019 ⁶² women using services (SJ: 1,923; KK: 4,820; AJ: 5,276)	13,233 women using services: (SJ: 2,482; KK: 5,475; AJ: 5,276)
<i>27%⁶³ of women participants in community meetings</i>		
New Indicator	87 ⁶⁴ women instigated community/livelihood related initiatives. (SJ: 17; KK: 37; AJ: 33)	87 women instigated community/livelihood related initiatives. (SJ: 17; KK: 37; AJ: 33)
Output 3.3: Development of capacity in local government, regional government and civil society representatives to support identification of DRR priorities purporting to the Animal Movement Route, Disease notification, control and reporting and embed the process of preparation & planning and mitigation.		
6 active DRRWGs (SJ: 3; KK: 3)	10 DRRWGs (KK: 5; AJ: 5)	13 DRRWGs (SJ: 0 ⁶⁵ ; KK: 8; AJ: 5)
<i>24% Female representatives engaged in DRRWG activities</i>		
6 DRR based initiatives impacting at the community level (SJ: 3; KK: 3)	8 ⁶⁶ DRR based initiatives impacting at the community level (AMR) (KK: 5; AJ: 3)	14 DRR based initiatives impacting at the community level (AMR) (SJ: 3; KK: 8; AJ: 4)
Output 3.4: Development of improved transparency and efficiency of mechanisms for appropriate municipal level pasture and land management.		
16 ⁶⁷ quality mechanisms implemented for better pasture and land management (KK: 16)	14 ⁶⁸ new quality mechanisms implemented for better pasture and land management (KK: 9; AJ: 5)	30 quality mechanisms implemented for better pasture and land management (KK: 25; AJ: 5)

⁶⁰ 7 Advisory Committee meetings, 4 lobby groups (1 regional, 3 municipal level), 1 visit in Poland

⁶² Women's rooms in three municipalities of KK: 1,005 and in 5 municipalities of AJ: 1,066; Women participate in community meetings in KK 4,225, in SJ: 2,136 and in AJ 4,620; Kindergartens in SJ: 197. Also, 2,597 men used Women's room or Kindergarten service and 4,493 individual beneficiaries comes as the result of crowding in. Also, 2,546 beneficiaries comes from the other 10 women's rooms (USAID funded), out of which 1,983 are women.

⁶³ Baseline was only 3%.

⁶⁴ Initiatives financed through community meetings (SJ: 17; KK: 21; AJ: 14). Initiatives financed through Women's rooms (KK: 16; AJ: 19)

⁶⁵ Many initiatives were undertaken however these groups are no longer operational.

⁶⁶ Tsinskaro Bypass, 1 DRR regional mechanism, 2 Infrastructure bio security project was initiated. Sheep underground pass in Tbilisi-Rustavi highway. Also, in Khulo and Kobuleti herdsman groups were created and equipped to prevent wild animal attacks. After DRR facilitated meeting Keda municipality solved electricity problem in summer pastures.

⁶⁷ Imprescon, 3 DRR Working Groups, 6 BEAT Assessments, 6 Advisory Committee Meetings.

⁶⁸ Dmanisi municipality pasture intervention in KK, 5 DRRWG in KK and 5 in AJ (They work on pasture related issues as well), 2 BEAT assessment in Marneuli and Rustavi. Also, Dmanisi pasture management intervention led to the municipal commission, which controls & monitors summer pastures.

147 infrastructure projects improved access and efficiency of mechanisms for appropriate municipal level pasture (SJ: 120; KK: 27)	3 infrastructure projects improved access and efficiency of mechanisms for appropriate municipal level pasture (KK: 3)	150 ⁶⁹ infrastructure projects improved access and efficiency of mechanisms for appropriate municipal level pasture (SJ: 120; KK: 30)
4,639 ha land affected by the improved pasture management system (SJ: 4,639)	25,000 ⁷⁰ ha land affected by the improved pasture management system (KK: 25,000)	29,639 ha land affected by the improved pasture management system (SJ: 4,639; KK: 25,000)

IMPLEMENTATION CONSTRAINTS AND WAYS TO OVERCOME THEM

This section remains in line with the last reporting period. As dynamism grows in the livestock sector with a sustained increase in MOA input into the sector and with interventions increasingly becoming national or international in scale, maintaining the principals of M4P facilitation with programme clients in an increasingly crowded donor, INGO and government space can be a challenge as other initiatives with different *modus operandi* which could potentially diminish sustainability of interventions, increasingly seek to leverage the entry points brought about by the ALCP⁷¹. However managed well these opportunities can amplify and add to the sustainability of impact and growth. (See Annex 1 and Direct and Indirect Unintended Effects) Success is dependent on the ALCP pursuing increased activity based collaboration with external entities and targeted facilitation to clients to enable them to manage their interactions in line with the pursuit of sustainability and growth. Other constraints remain consistent with other previous phases of the programme. Regular and rapid change both in key political actors at all levels and in policy (although this has lessened in the last three reporting periods) and linked to the above and the entry of new players (see *Updates to the Stakeholder Analysis*) are ongoing constraints, however a diversified strategy of working with a range of players and increased coordination across different levels reduces risk and spreads it across the intervention. With regard to external constraints in the operating environment (See *Evolution of the Context* and *Bilateral and Multilateral Issues of Note for Policy Dialogue*) the need for the NFA to develop a publically available roadmap as the competent authority of Georgia, for the points to be undertaken to allow the entry of Georgian animal based products into the EU is essential.

EVENTUAL CHANGES TO MAIN ASSUMPTIONS

As in previous reporting period. There are no changes to the main assumptions and impact and interventions from all areas of the ALCP see a continuing validation of the M4P approach. The strategy of the ALCP has been developed to harness impact and use it to generate even wider impact and all indications now see the validation of this strategy. Where in the beginning actors and their business functions were rudimentary or absent the programme painstakingly facilitated them. The result of the ongoing support of SDC means that these beginnings have been built on year on year and the first branching into export, the sophistication of business function and the clear potential of the dairy model to be a mainstay for small farmers throughout the whole of Georgia are being observed. The SDC choice of the livestock sector has been justified⁷², the

⁶⁹ In SJ: 3 bridges were built, 6 bridges were renovated, 102 bridges were assessed and 9 watering points were made; In KK: 27 bridges were assessed, & in Phase 2, 2 watering points were made and Tsintskaro bypass fenced. Also, 2 villages in Tsalka and Tetrtskaro municipalities copied the bypass fenced model to protect their pastures from the seasonal animal movement.

⁷⁰ After ALCP intervention Dmanisi municipal created a special commission and controls & monitors 25,000 ha summer pastures.

⁷¹ Particularly notable in the veterinary sector, information, services (FS&H and BDS) and gender.

⁷² In November the Khulo cheese factory opened. It has seen an unprecedented unity amongst the villagers who *en masse* decided to supply milk to the factory collecting 4.7.tons/day with a high fat content and no added water. To date Ajara has been written off as a dairy region.

supply of mid-tier dairy sector actor selling to formalized supermarkets by small farmers is a hugely successful and sustainable model and one which can be replicated across Georgia. If the NFA begin procedures for putting Georgia on the third country list for dairy then export would surely follow. As the NFA strengthens enforcement and trade agreements with Iran were put in place, the potential in the meat sector has finally been unlocked and this reporting period has seen and will see a significant increase in the figures relating to market access to the meat value chain. The log frame critical assumptions describe the context as it stands at present. Two indicators in Outcome 2 (in 2.1 & 2.3) have been broadened slightly to capture increased sales into formalized outlets and the more active stance of the NFA with whom the programme now facilitates public information meetings to producer groups in honey, dairy and meat. Both the extent & speed of formalization and more proactive stance in the NFA were not overly apparent when writing the original proposal.

CHAPTER 4 – FINANCES AND MANAGEMENT

PERCENTAGE OF BUDGET SPENT VS. PLANNED PER OUTCOME

For the ALCP support facilities of the support lines⁷³ as of 31 August 2016 spending accurately reflects the progress of interventions in KK and Ajara as shown below. All investment support budget lines have been budgeted out to the end of the phase in line with ongoing or planned activities. The percentage represents the rate for the full three year phase.

ALCP Support Facilities (CHF)	ALCP KK	ALCP AJ
Alliances Investment Support Facility Outcome 1 & 2:	117,256 (76% spent)	333,602 (80% spent)
DRR, Gender and Governance Support facility Outcome 3:	21,442* (99% spent)	31,296 (73% spent)

BUDGET DEVIATIONS AND OUTLOOK FOR THE REST OF THE PHASE

All investment support budget lines have been budgeted out to the end of the phase in line with ongoing or planned activities. No underspend is anticipated⁷⁴. However there is projected underspending (mainly due to fluctuations in exchange rates) in other operational lines which have been fully evaluated outside the reporting period⁷⁵ (October) these have been fully evaluated and the majority of the underspend will be absorbed into the investment support facility, with some smaller reallocations to staff capacity building and on the replacement old equipment mainly computers and printers which can be replaced ahead of time and rather than in the next project. Full details of the underspend and intended reallocations will be submitted

⁷³ ALCP Investment Support Facility, DRR Gender and Governance Support Facility, Study Tours, Mid Term Evaluation, Sub Contactor in DRR, Gender and Governance, IAAD Project Partner.

*The KK DRR Support Facility had 40,000 CHF added in the January 2016 budget revision from KK Investment Support Facility to counter spending on the Animal Movement Route and leave enough in the facility to complete projected activities until the end of the phase.

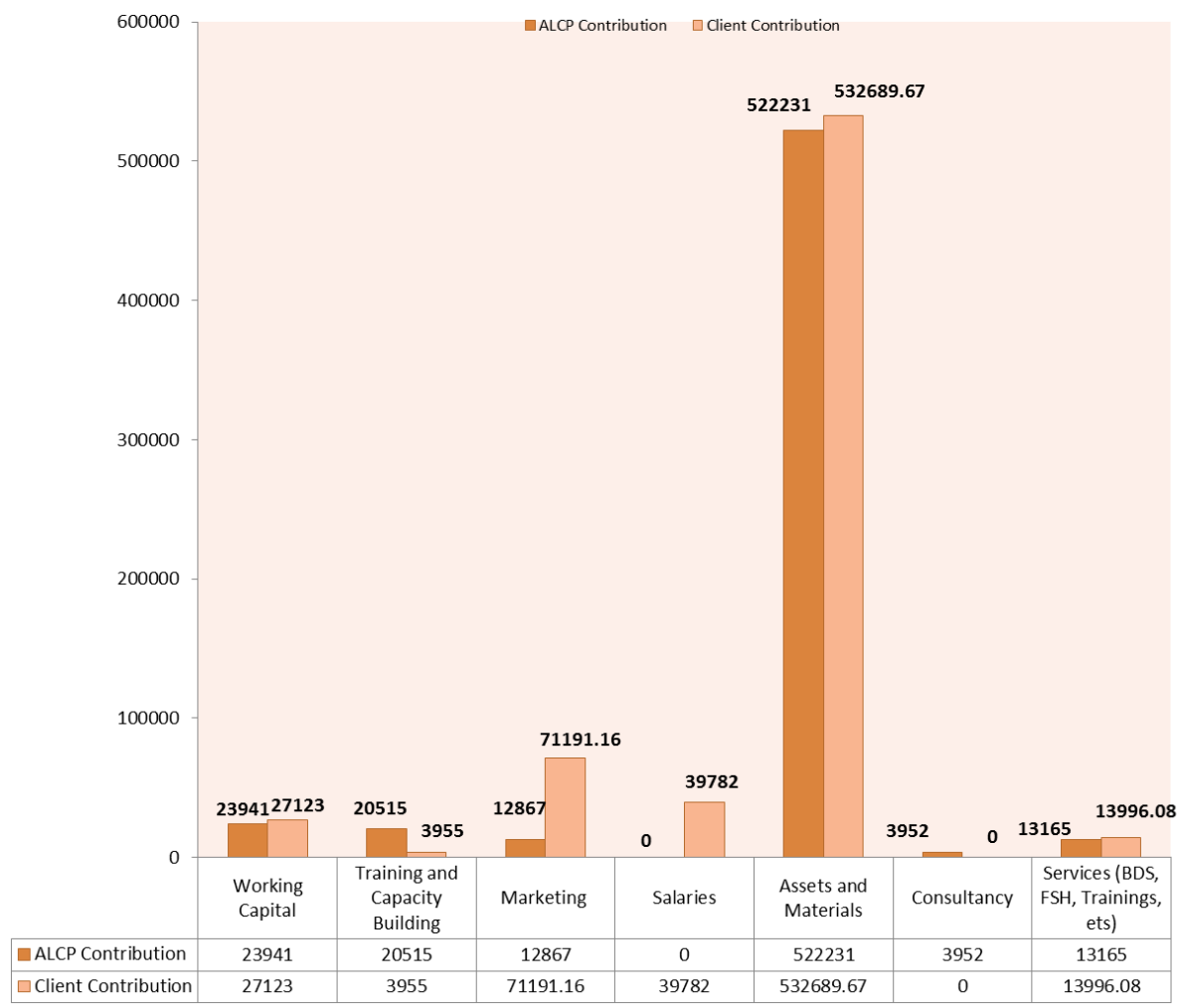
⁷⁴ In KK the main spending will be in the wool sector, dairy, Animal Movement Route, gender activities surrounding women's access to decision making and nationally based outreach activities with the NFA. In Ajara, spending will concentrate on interventions fulfilling the current phase of the log frame. The Batumi Agrarian Market, the Alpine Botanical Garden, slaughterhouses, dairy factory expansion, honey sector, information and activities in gender with Women's Rooms, DRR WG's, Black Sea Eco Academy.

⁷⁵ 3.1. Professionals (expat and national) – CHF 27,840; 3.3 Other costs of resident expatriates (effective costs) & 3.4 - CHF 45,380; 3.6 Remuneration of national support staff (effective costs) – CHF 69,770; 3.9 Operating costs PIU (effective costs)- Vehicle Running Costs – CHF 26,820

to SDC in early November for approval. Therefore there is no expectation of an underspend on the overall project budget. On the programmatic lines the ease with which the programme can absorb and manage underspent funds for interventions is testament to the efficiency of programme systems.

APPRAISAL ON HOW EFFICIENTLY INPUTS WERE CONVERTED INTO OUTPUTS

The efficiency of input conversion is enhanced on the ALCP through the use of the co-investment mechanism. The programme operates on leveraging a minimum of 35% co-investment from the clients with whom it co-invests. Client contribution is currently running at an average of 54 % up from the last reporting period's 50% across all the interventions. ALCP co-investment in the cost of external consultancy for Food Safety and Hygiene consultations and Business Development Services has gone up in FS&H standing at 87% from 84% reflecting the burgeoning demand in the HoReCa sector and new interventions as well as the expansion into the honey and wool sectors as well as meat and dairy. The BDS co-investment percentage is 94% from 96%. The breakdown of the use of the ALCP investments for clients and the contribution of clients is shown in Figure 1 below. Main points of note are that investment in assets and materials is up to 88% (from 80% in the last report) reflecting an increasing number of new interventions, strict adherence to national food safety requirements and to upgrading existing ACLP clients with compliant equipment and transport in line with new regulations. In addition the co-investment of the municipalities in Women's Rooms is lower compared to previous WR's, because fewer months are remaining until the end of the current phase of the programme when grant agreements are dated to (February, 2017), which influences the salary component of the co-financing contribution amount of the Women's Rooms.



REFERENCE TO ACTIVITIES/INTERVENTIONS PROPOSED AND ACTUAL

Please see *Annex 5* for the list of interventions undertaken in the reporting period. Facilitation has been undertaken for all proposed opening interventions as listed in the logframe.

Planned facilitation with the MOA Municipal Information Consultation Centres, following a feasibility study on their operation by programme facilitated BDS provider First Consulting, will be woven into the next phase of the ALCP under the new proposed Outcome One of developing sustainability in the SME sectors. The Information interventions have reached huge national scale with investment in social media through *Mosavali* taking hold as well as outlets spinning off from national and regional TV programmes *Chveni Perma* and *Me Var Permeri*, the national media associations in television and newspapers serving as vibrant conductors of quality agricultural programming and information across the country and the Agri Journalism modules now fully accredited in six university journalism curricula to start this autumn and seven more universities are now interested for next year. Maturing breeding interventions are yielding

respectable results as well as valuable research data with an entry point for promoting systemic change being sought with transmission of this data through the media, this follows the pattern of nutrition which has yielded good results with systemic change stemming from information dissemination via media. A new combined feed intervention has also been signed in KK after a long period of being unable to find any new entry points to develop scale.⁷⁶ Interventions with Roki in Ajara are deepening functionality and linkages with other actors including the MOA Information Centres (with whom an MOU has just been signed outside the reporting period) the Women's Rooms for trainings and information dissemination and in developing their information systems as a platform to deeper international outreach in the next phase.

Work with the National Food Agency the single most important government actor in the livestock sector continues to strive for national scale. Since November 2015 the ALCP programme has worked with the NFA to prepare informational posters on Food Safety and Hygiene issues for Meat and Cheese selling shops/points. These posters will be distributed nationally by the NFA in order to increase awareness of consumers in the autumn. The NFA still plan to announce the National Food Safety Day for advertising of posters in all regions of Georgia and also to disseminate/advertise posters through media. Although the speed and efficacy of facilitation has been reduced since changes in staffing.

In Ajara entry points in dairy and meat are now operational and proceeding to second phase activities and interventions under all outcomes have been co-financed or facilitated under each outcome in veterinary, breeding, nutrition (access to hay making machinery) information, FS&H and BDS, DRR and Gender, the honey sector and agro-tourism. HoReCa sector related activities and business support services in conjunction with the Ajara Chamber of Commerce are flourishing. In Ajara veterinary, breeding and dairy interventions have components which cover the summer pastures, to ensure they continue to reach their markets, and the DRR WG's and Womens Rooms have also been providing services there, the DRR WGs responding to animal diseases and animal attacks and the WRs from three municipalities providing information about their services, essential in the higher municipalities of Ajara where in Khulo for example up to 70% of the rural population moves to the high pasture in the summer. The Batumi Agrarian Market renovation of the cheese section was completed in July and the owner is of his own accord similarly renovating the meat sector next year. In KK access to machinery through a financial mechanism embedded with a machinery supplier and supplemented by the client developing a no interest loan product with Credo independently has seen considerable outreach this hay season particularly in Tsalka an outreach which has also included the sale of fifteen milking machines. Financial outreach has also been achieved with embedded credit through Credo in twenty two vet pharmacies in the region and in the head Roki office and outlet in Tbilisi. The programme is finalizing a case study on this growth in access to finance to feed into the next phase of programming.

Four out of four new co-financed dairy entities are operational in KK. One further dairy will come on line before the end of the project in Tetrtskaro. Delays were experienced in the two entities funded for product diversification into buffalo yoghurt and *Ayran* (buttermilk). *Ayran* will come online in the autumn the delay being due to the client deciding to invest more in the intervention (on construction) than originally planned, the original client in Buffalo yoghurt had the equipment removed due to non-compliance with grant activities. The equipment was rehoused with another dairy producer who has tested buffalo yoghurt has found preliminary markets and is awaiting suitable packaging⁷⁷. In the meat sector KK slaughterhouses are accessing a newly stable market. Free Trade agreements with Iran and increasing regulation of illegal

⁷⁶ This intervention is with a new player who were previously selling milled wheat, maize and bran flour and selling mainly a mix of maize and barley to cattle owners. Now they will mix a branded ration of maize, barley, bran, soya cake, sunflower cake and optional vitamins.

⁷⁷ Buffalo milk suppliers will be women from Azeri HH's who traditionally keep buffalo it is a difficult to reach segment of the target group as well as a much desired commodity in the form of yoghurt.

back-yard slaughtering in the meat sector mean that clients are winning tenders of supplying government contracts e.g. kindergartens and entering export markets.

Both entities in the local market for washed wool are now online and wool has been sent to international markets in India and Ukraine with further markets being researched. Contract negotiations with the UK have been resumed. Interventions in the new sector of honey are underway in all three outcomes. The [film Jara](#) is soon to enter post production for screening near Christmas. The Ajara Beekeepers Business Association who have managed a supply link to the Hilton who installed 4 hives on the hotel roof. The Alpine Botanical Garden intervention proceeds concretely, with land secured, money pledged and drawings for fence, gates and buildings approved. (See Annex 6 for an In-depth progress report). Facilitation is ongoing with National government Ministries in the form of the MOA & Ministry of Environment with the Animal Movement Route, the NFA with national information dissemination to farmers and meat shop owners as well as the ongoing Animal registration pilot. The SDC/ADA Animal Registration programme is building on this and the programme is facilitating activities to help with this transition financing of the pilot will be finished in October. The nine MRDI regional representatives trained in the Gender Guidelines, disseminated this information in the municipalities and are now apparently collecting gender disaggregated data from community meetings, although a concrete document has yet to appear. A new updated version of the guidelines based on new laws has been published for dissemination in a gender conference to be held before the end of this phase of the project.

HUMAN RESOURCES ISSUES ON THE ORGANIZATION LEVEL THAT AFFECTED THE MANAGEMENT OF THE PROJECT

No difference to previous reporting period. As was noted in the *Budget Revision Notes* a certain flexibility is to be expected within the staffing of a market systems development programme with a movement and flow with the recruiting of BDO's and assistants (in particular) and in operational support in line with how interventions develop, this continues. Staff recruitment has been in line with the complex and flexible growth of the programme. Changes and adjustments in staff recruitment were detailed in the *ALCP January Budget Revision Notes 2016* with TOR's and revised organograms submitted to SDC although none of the changes required additional funding (please see the documents for further details). There is now a clear cadre of senior staff⁷⁸ with an excellent gender balance, who are competently and maturely managing their respective areas and staff and allowing for growth and creativity in interventions as their and their staff's capacities develop, this was completed just outside the reporting period with the promotion of the KK manager to Deputy Team Leader and promotion of the Deputy KK manager to Manager on March 1st 2016. Capacity building and mentoring is ongoing and the ALCP team in Ajara are fully in their stride and in SJ have developed their skill set in M4P, monitoring and data management. More junior and newer staff across the programme are noticeably developing under their mentors. There has been a clear improvement in writing skills and data management.

CHAPTER 5 – LESSONS LEARNT

GOOD PRACTICE AND INNOVATIONS WORKING WITH KEY PARTNERS, BENEFICIARIES, INTERAGENCY COLLABORATION, INCLUDING OBSTACLES AND DIFFICULTIES

Ongoing communications with and capacity building of key senior staff to allow for their subsequent work with the regional teams to maintain and improve systems is vital in maintaining quality and the integrity of market systems programming as the scope and scale of the ALCP grows. Considerable ongoing effort has been invested in this since the last reporting period which saw the appointment of the Deputy Team Leader

⁷⁸ Deputy Team Leader, 3 Regional Managers, M & E Coordinator, Information Manager, DRR, Gender and Governance Coordinator.

and the full complement of senior staff; managers and coordinators. The planned DCED audit in Ajara is providing a focal point for galvanizing coordination, focussing on interventions and fully capturing their impact across the regions.

In the programme area Alliances coordinates with ICCN on their Women and Girls programme⁷⁹ and with European Fund, EU ENPARD, RED, FAO, Women's Information Centre. The programme has coordinated closely with MOLI on the Animal Registration Pilot with the NFA. MOLI is also now working with veterinary partner Roki copying main elements of the existing model, open links with the client ensure information transfer. Strong links to the DCED and BEAM continue see next section. Links from responsible staff members to SDC concerning sharing of events and happenings as well as material for the SDC Facebook page continues to strengthen and benefit relations and programming. Social media is becoming increasingly important and the programme website continues to attract a substantial number of visitors. In July SDC's *Communication for Development A Practical Guide* was published which contains a case study of the ALCP 'The Road's' example one of among twenty four global examples, solicited from the ALCP through the initiative of the SDC Communications Officer.

IMPORTANT FINDINGS FROM REVIEWS AND SELF-EVALUATIONS

External Reviews and Appraisal: The reporting period was characterized by the fruition of many collaborations with external agencies and reviewers. Best practice examples from the work of the ALCP and an ongoing contribution to developing fields in MSD and Women's Economic Empowerment were included in:

Note: All subsequent publications have been supported by SDC as SDC is a backer of both the BEAM Exchange and the DCED

BEAM Exchange: Jones, L. (March 2016) [*Women's Empowerment and Market Systems: Concepts, practical guidance and tools. \(WEAMS Framework\)*](#) This paper reflects the developments made in MSD and WEE including examples from the broader number of programmes now integrating WEE in a field in which Alliances was an early pioneer making significant contributions to the field as explained in the document.

BEAM Exchange: Maestre M. and Thorpe, J. (May 2016) [*Understanding Unpaid Care Work to Empower Women in Markets Systems Approaches*](#). The research was led by the [Institute for Development Studies](#) and Oxfam. The Team Leader was a member of the Unpaid Care and Market Systems Working Group advising and inputting into the research.

BEAM Exchange: Ashley Aarons, Helen Bradbury, Mar Maestre, (June 2016) [*Alliances Lesser Caucasus Programme. Transforming Access to Veterinary Services in Georgia*](#). The result of two years of ongoing effort, the case study studies the Roki veterinary intervention which has yielded enormous scale in a small population and for a relatively small budget and is divided into an overview and three short case studies on *Using Market Analysis, Selecting the Right Private Sector Partner and Generating Scale* which have successfully and simply set down aspects of the 'art' of facilitation into usable lessons and advice for practitioners.

DCED: (August 2016) [*Business Environment Reform and Gender*](#). This comprehensive research includes the need to broaden the definitions and expectations of what is included in Business Environment Reform highlighting a greater range of factors in the business environment which have a specific impact on women entrepreneurs and women owned business as well as more general gender mainstreaming in BER. The ALCP work on women's access to public decision making is on P54.

⁷⁹ This takes the form of solid mutual support including supporting their activities and feeding them into regional and national ALCP gender initiatives and linking ALCP supported entities with their work experience programme.

SDC (August 2016): [Mainstreaming Women's Economic Empowerment in Market Systems Development](#). A guidance sheet in a series written to support SDC staff to ensure that gender issues are taken into account transversally in different thematic domains. It outlines key gender issues regarding women's economic empowerment in MSD. The ALCP is cited on P6 as one of four SDC programmes highlighted in the 9 page document.

BEAM (July 2016) [The Social Norms Factor: How gendered social norms influence how we empower women in market systems development](#). Looking at how social factors influence programming both within the programme and without. P23 highlights the adaptive management culture of the ALCP staff learning and the relation to understanding and internalising gender norms.

The Team Leader is in discussion with the DCED to publish a definitive paper on Gender and WEE in Alliances collecting all information in one place. The paper *How to Operationalize Gender and WEE in M4P: A description of the ethos, systems and tools used to operationalize Gender and women's economic empowerment in the Alliances Programme in Georgia* has been edited and is due to go before the DCED's WEE Working Group at the end of September.

External Review of Systemic Change: Outcome harvesting trial: The Programme agreed to submit itself to an external review trialling the Outcome Harvesting method for capturing systemic change. The research was funded by the BEAM exchange and being undertaken in conjunction with USAID's LEO programme with a 15,000 GBP grant being given to the programme to pay the external consultant for Market Share Associates. The trial conducted in Tsalka (KK) throughout June and July was immensely useful for key staff and successful and appropriate for the programmes use. The methodology has subsequently been slightly modified for use and based on this a second survey has already been carried out in Aspindza (SJ) in August. The trials which have concentrated on planned and unplanned outcomes or systemic and behavioural change in the dairy sector have found significant changes attributable to programme interventions. These include changes in life expectations and control and use of income for women. The report has been released by USAID (October) for dissemination and is submitted with this report.

Global Community of Practice: The Team Leader contributed key note addresses to two global MSD fora in the reporting period. The [DCED Global Seminar on Results Measurement](#) attended by 130 participants from donor agencies and practitioners in March, in Bangkok and the [BEAM Conference in Lusaka](#) in May. In the BEAM key note in the closing plenary the TL discussed finding ways to develop a successful collaboration with the donor, essential in a M4P/MSD project which requires flexibility. The TL also contributed to *WEE* and *Managing for Success* sessions. At the DCED the Team Leader gave the penultimate key note *Why the DCED Matters to Us* and the ALCP Monitoring and Evaluation Coordinator represented the ALCP amongst four programmes in the Attribution session including a presentation and work shop break-out sessions. The attribution session and ALCP presentation were rated in the top three sessions of the 3 day seminar.

CONCLUSION

It is exciting to see the level of change, diversity and robustness in the results issuing forth from the programme. Very few programmes experience the longevity of funding and thus the ability to develop systems which can allow for this level of development and measurement and evaluation of impact. It is also exciting to consider that the new programme will allow this development to deepen, strengthen and ultimately (hopefully) transform systems so long invested in by SDC on a regional level. This investment pertains not only to funds spent within the livestock sector in Georgia but also to the careful and ongoing consideration of and support to M4P and market systems development, gender and WEE and communities of practice invested in by SDC the DCED, BEAM and the SDC E+I Network. The programme harnesses the benefits of these and will continue to feed back into them and develop learning derived from experience.

Note: Interventions are qualitatively measured annually. However not all occur at the same time or in the same regions. This report includes all those interventions which were due for their annual qualitative impact assessment in the reporting period, other interventions which started later than others will be reported on in the next reporting period in the annual report.⁸⁰ Regions are specified.

Outcome 1: Supporting Functions

Direct Impact

1.1. Veterinary Service Outputs (KK)

- Trans-regional linkages of *Roki Ltd* with Ukraine and Azerbaijan. *Tekro Ukraine Ltd* - a veterinary inputs supplier company in Ukraine has signed an agreement with Roki to import a feed additive 'Rumifos' worth \$300,000 to Ukraine after the company has tested it in the Agrarian University of Ukraine for 3 years with results of a 12% increased milk yield and 13% live weight gain. Roki has increased sales by 29% in Azerbaijan on last year through their *Real Vet* (a veterinary inputs supplier company in Azerbaijan) partnership, 5 members/vets of the company have had 4 TOT on new veterinary medicines and preventive activities against livestock diseases so they can start trainings for farmers in Azerbaijan, farmer trainings being a cornerstone of *Roki's* outreach methods.
- Farmers have applied the veterinary information they received from TVs, newspapers, *Mosavali* videos and *Roki's* website resulted in reduced sales of antibiotics for cattle from 35% in 2012 to 14% in 2016.
- *Roki Ltd* and 23 supported vet pharmacies, is offering micro loans with low interest rate for farmers to buy veterinary inputs. The MFIs *Credo* and *Crystal* agreed to reduce their 8% base interest rate to 5% and Roki and the vet pharmacies are covering 2%, meaning the loan is 3% interest rate for customers. 4,291 farmers have already used the service.
- (AJ) The majority of Khulo, Keda and Shuakhevi farmers who migrated with their cattle to the Adjara high summer pastures have used vet services from 20 confident satellite vets including 228 castrations, surgeries after wild animal attacks, help in giving birth, hoof cutting, etc. 900 bottles of veterinary medicines have been sold, mostly antibiotics and disinfection needs; and 1,128 cattle have been diagnosed, previously the vets with outdated veterinary equipment could meet only 25% of the existing demand.

Impervet Ltd Beekeeping Input Supplier Outputs (AJ)

- *Impervet* is the only beekeeping input supplier company offering new inputs and beekeeping information resources and are more confident than they were before while providing consultations, trainings, free diagnostics and a hotline service for beekeepers in Adjara. The company have already provided 4 trainings and capacity building workshops to 200 beekeepers on new veterinary medicines & the importance of the preventive activities against diseases.
- 353 (29%) of beekeepers in Adjara have already used the service after 7 months of its opening, they have reduced transaction costs worth 55Gel/visit to Tbilisi or Turkey.
- The most severe disease for bee colonies in Adjara is Varroa, it reduces bee's productivity by 30%. A veterinary medicine farmers used to buy before had only 40% success in treatment. *Impervet's* new veterinary medicine achieves about 90%, & needs less efforts and time spent for treatment, one beekeeper save 20 hours/year/apiary.
- Customers are regularly using 2 new vitamins offered by *Impervet* that stimulate egg-laying and increase colonies swarm by 30%.
- Up to 20 honey producers have used the free *Impervet* diagnosis sending samples to their Tbilisi lab and received consultations on how to prevent them.
- 2 beekeepers have learnt from *Impervet* how to fill the application forms for the state programme 'Produce in Georgia'.

1.2. Improved Bull Service Outputs (KK & SJ)

- Income from selling 2 year old improved breed cattle is 292 Gel⁸¹/cow more than the local breed cattle of the same age due to the live weight difference.
- Four improved calves have been born per breeding beneficiary household in 4 years of the programme facilitation.
- (KK) Where the breeding service is operating in KK 100 improved breed cows have calved, and the milk yield of improved cows' is 4 lt/day more than for the same age of the local breed

⁸⁰ For the next reporting period Output 1.3 (Nutrition), Output 1.5 (Access to Finance Machinery), Output 2.2 (Meat), Output 2.3 (Wool), Output 3.3 (Women Room), Output 3.3 (BSP), Output 3.4 (Pasture Management) in KK & Output 1.1 (Veterinary), Output 1.2 (Breeding), Output 1.3. (Machinery) Output 1.4 (Access to Information), Output 2.1. (FS&H), Output 2.2. (BDS Consultancy), Output 2.2. (Disinfection, Vermin and Pest Control Service Provider), Output 2.3 (Dairy), Output 2.3 (Batumi Agrarian Market), Output 2.3 (Meat), Output 2.3 (Honey), Output 3.3 (Women Rooms), Output 3.3 (DRR WGs), Output 3.3 (Black Sea Eco Academy), Output 3.3 (Eco Films Ltd) in AJ

⁸¹ Market Price on the live weight cow/bull is 4 Gel/ Kg. Akhaltsikhe Livestock Market Prices for September, 2016

- (SJ) 38 % of the programme beneficiaries have increased their income by 46% after using the breeding service.
- 2 bull owners have sold 32 improved cattle (cows and bulls) for breeding, earning 1 -1.5 gel/kg extra for improved breed cattle compared to the local breed
- (AJ) Demand for the breeding service has increased by 35% compared to last year after seeing that calves are much bigger 20kg/ birth weight than the local breed, the calves have more strength, growing pace and they are resistant to the different diseases and infections.
- 49 improved breed bulls have inseminated 1,260 cows this year in the Adjara Summer Pastures.⁸²
- There are some issues with retaining bulls from the bulls of the first phase (43 delivered in February 2015) 29 have been slaughtered from the original. Different reasons have been given including impotence, madness, broken legs, cost of feeding. 35 have been funded for the second phase. However it mainly seems that until the improved calves arrived farmers were unconvinced of the value of the bulls. The above growth in demand seems to indicate a more positive trend which should be reflected in the length of time the bulls are retained.

1.4 Information (KK&AJ)

- Around 90% of milk suppliers of facilitated factories are supplying milk that the enterprises are happy with. Farmers are avoiding milk spoilage, do proper storing, take care of their cattle's health and feel proud that they supply clean milk.
- 20 TV journalists trained in agri journalism have presented 267 videos; 25 press journalists have written 350 articles on animal health, Brucellosis, Mastitis, Anthrax, Foot and Mouth, farm hygiene, milking hygiene, proper nutrition, animal registration and EU regulations related to Georgia. Farmers say that now they are not afraid when they hear about new rules and EU regulations, as they have reliable information on it (throughout Georgia).
- Regular agri articles have increased sales of 14 newspapers by 10% (throughout Georgia).
- 9 livestock videos have 48,000 and 18 beekeeping videos have 440,000 views on Facebook. 61% of viewers are women who tend to use Facebook pages more than YouTube, as they are more active in the social networks. The most popular are the videos on honey types, bee transhumance, and placement of the beehives, milking and feeding the cows.
- (KK) The Public Broadcaster's Internal Audit of *Perma* highlighted the importance of knowledge contributing in economic improvement of the farmers, helps people to copy behaviors, breaks an old style of reporting, shows dynamics and perspectives of the sector in an innovative way. The audit highlighted a tendency to be biased towards government in some of their reports and that they should make more effort to show the initiatives of ethnic minorities.
- (AJ) An additional 11% of *Adjara P.S* newspaper readers are now rural people after 3 months of the new weekly agro supplement, from a baseline of zero. The most popular topics are milking hygiene, bee and livestock diseases, recommendations and advice on farming. The market prices from the Batumi Agrarian Market published in every edition of the newspaper have helped the farmers to decide when and where to sell their products at the affordable price.
- Adjara TV management closed 60% of sectoral programmes due to their low ratings. As *Me Var Fermeri* has 79% of rating among rural HHs, it has become a priority programme for TV. *Me Var Fermeri* has reported on 4 programme facilitated clients, they have increased their sales after it, for example, *Impervet* has increased sales by 20%.

Indirect Impact: Crowding in & Business Expansion

- *Veterinary*: A vet pharmacist of the programme facilitated vet pharmacy in Tsalka has opened a new vet pharmacy with the help of Roki after seeing the profitable market, offering all Roki's services, including cheap loans.
- *Veterinary*: Vet Pharmacy/Rural Advisory Service (RAS) Ltd: Seeing the profitable market RAS has invested 15,000 Gel in vet pharmacy/inputs supply shop in the most remote areas of Akhalkalaki, to expand their business operations.
- *Veterinary*: 1 vet pharmacy owner was granted 5000 Gel from '*Produce in Georgia*' to expand his business after the programme facilitated training on business skills.
- *Breeding*: 2 new bull service providers have purchased bulls and copied the model of the bull service provision in the village herds, after seeing the difference in live-weight of improved calves born (SJ)

Outcome 2: Market Access and Terms of Trade

Direct Impact

2.2. Dairy Market Outputs (SJ, KK, AJ)

- Regular income from selling milk allows farmers for long-term planning and development rather than the day to day survival. The income is used for basic family needs, everyday expenses, covering taxes or to invest in different fields of agriculture such as buying plant seeds, vegetables, wheat or covering costs of using machinery services. The farmers have used other sources of their income for more solid investments, renovation houses and cow-sheds, purchasing home equipment, washing machines, TV, and etc.
- For the milk suppliers livestock is a primary activity for their family income, highlighting its profitability compared to other agriculture fields (e.g. growing plants, vegetables, fruits).

(SJ&KK)

⁸² The full qualitative monitoring for the breeding intervention in Adjara will be reported for the Annual Report in March, 2017 as now, all the farmers are in the Adjara high pasture.

- Regular income from selling milk has resulted in improved access to loans for purchasing labor saving goods, cows, land and houses, as they can prove that they have the income to pay them back.
- Women are accessing loans in their own names, instead of their husband's names and they are using the loans to buy items they prioritize.
- Female farmers now have free time daily for socializing with neighbors, having coffee with friends between the morning and evening milking periods. Many women use this time to go to their towns to shop, have their hair done at the salons, and even receive cosmetic treatment for teeth.
- (SJ) Milk suppliers are now using additional feed for their cattle oats, beetroot, barley and wheat straw strongly linked to the programme's work in the dairy sector.
- (KK) Village herd sizes of the suppliers of the five cheese producing companies in Kvemo Kartli have increased by more than double since the programme facilitation. Farmers are investing in their cattle sheds. 92 families in Sakdrioni Village purchased a 200-hectare plot for hay land by auction.
- Two cheese producing companies *Temuri Kakhadze* and *JTA Ltd* hired vets to check 140 cows of their milk suppliers for brucellosis to be in line with NFA requirements.
- In the Marneuli Lab, demand for Brucellosis testing has increased by 50% since NFA meetings with farmers and media reports facilitated by the programme.

(AJ)

- Milk suppliers in Adjara are now trying to improve their husbandry practices for cattle health and nutrition, they have modified cattle-sheds with lighting, bigger size of windows, ventilation and cleaning twice a day. Now they know that milk received from a diseased cow with pathogens and mastitis cannot be used in the milk production as it damages not only cattle but also their own health.
- *Natural Produktsia Ltd* covers 95% of the largest five stars hotels and restaurants in Batumi with factory produced compliant *Imeruli* cheese, from a baseline of zero.
- *Natural Produktsia Ltd* and *Elguja Baramidze Ltd* in Ajara have collected 308 tons of milk in 3 months from 256 farmers 35% of whom were women in the Adjara summer pasture where 70% of farmers from Dioknisi, Khulo and Keda Municipalities move their cattle during the transhumance, farmers normally cheese store it and sell it on coming down from the pasture thus benefited in saving time and using the time for other income generated activities.

2.3. Batumi Agrarian Market (AJ)

- The cheese section in the *Batumi Agrarian Market* has been renovated and equipped with 40 refrigerated counters. The stallholders now are using stainless equipment and have source of water.
- 40 stallholders (30 women) and 17 administrative staff members (11 women) have attended 5 trainings on food safety and hygiene standards. Previously they didn't have any training. Before the trainings it was hard for a market administrator to convince stallholders to wash their hands, wear hygienic clothing maintain temperature controls and keep records and understand traceability. As a result of the trainings, 60% of the sellers have changed their behaviors and now follow food safety and hygiene standards. 40% do not as yet see the benefits of this.
- The Market Lab was suitably equipped and now provides testing in 10 minutes instead of 25 with reliable results.
- Sales of the dairy products in the Agrarian Market have increased by 30% from the previous summer season. Tourists are visiting and noticing the good standards.
- Seeing the benefits of 40 dairy refrigerated counters, the Agrarian Market bought 15 refrigerated counters for the chicken section, 6 in the sausage and 30 in the meat sections.
- However some sellers are trying to save costs and are not switching on the refrigerated counters.
- Despite a campaign and other activities on street selling of uncompliant cheese being sold in uncompliant conditions is stills ongoing and causes discontent and undercutting amongst sellers who are paying a fee for selling inside the market.

2.3. Meat Market Outputs (AJ)

- Farmers now have 50 Gel extra profit per 100 kg of live weight when they sell to the slaughterhouse *Ori Gio Ltd*, (Khulo) previously intermediaries used to pay less to cover the slaughtering service. In addition, the farmers have 5 kg more per cow as the price is paid for the dead weight after slaughtering, previously visual estimations at home tended to underestimate the weight.
- The intermediaries are now also paying for the dead weight.
- The Khulo Slaughterhouse has won a tender to provide meat to 5 kindergartens in Shuakhevi municipality and 12 in Khulo municipality 430kg/month that is more profitable for farmers as when the meat is purchased within the tender the slaughterhouse pays 0.8 Gel/kg more as it needs better quality meat.
- Khulo Municipality has allocated 20,000 Gel for subsidizing slaughtering services to promote it among farmers (as opposed to backyard slaughter) resulting in 40% increased services compared to the last season.
- The only slaughterhouse in Shuakhevi is now working with the programme after a year of attempted facilitation as it was fined by the NFA and faced immediate closure.
- Backyard slaughtering is still a problem in many municipalities and any other slaughterhouses are only operating to slaughter their own cattle. Presently ALCP facilitated *Ori Gio* and the two planned in Shuakhevi and Keda are and will be the only compliant routes for farmers to get meat onto the market.

2.3. Wool

- **(KK)** Wool mattress producer *Khrami Ltd* is collecting wool directly from farmers in Dmanisi's remote villages 80% of whom are women. Sales of mattresses have increased by 30 %. They pay 0.1 Gel more/kg compared to the Azerbaijani intermediaries who come only intermittently. Farmers also used to go to the Marneuli Agrarian Market on Sundays to sell washed wool which took the whole day and was very often not sold. 9 tons of wool have been bought during the spring season.
- **(SJ)** After seeing a developing and more profitable and secure wool market, wool supplier farmers have started shearing on time, separating Spring and Autumn wool, storing it properly to sell quality wool at the maximum price of 1 Gel/kg, 0.5 tons of wool/month is now processed regularly all year round, from a baseline of 0.2 tons/month for 6 months of the year. The client is also provide wool washing services to small scale wool processors and sell washed wool. The enterprise is currently negotiating with 2 enterprises, one in Khashuri to provide 5 tons of washed wool/year, it is supplying wool mattresses to Hotels in Bakuriani, and another in Aspindza, to provide 0.5 tons of wool/year, it is supplying HH with mattresses.

2.3.Honey (AJ)

Matchakhela Ltd

- 90% (351) of honey suppliers of the company have applied food safety and hygiene standards demanded by the company resulting in a vastly reduced use of antibiotics, pollen content has significantly improved.
- The company has increased their number of honey suppliers by 20% in 5 months and honey production has doubled. He is selling to 15 new shop outlets, one more large supermarket and 3 medium hotels for selling honey.
- The Company has expanded its coverage to Kakheti and Kvemo Kartli.
- The company is using the programme facilitated distribution car to collect honey from the mountainous parts of Ajara, that previously required hiring a car and paid 80 Gel/visit.
- The Company is selling honey in Hilton Batumi, it has already sold 200 kg over a 2 months period.

Ajarian Beekeepers Business Association- ABBA & Honey

- *ABBA* has provided services for 206 beekeepers, information about technical regulations, hygiene standards, labelling, offering free library and internet. It now has 68 members from a baseline of zero.
- *ABBA* has established linkages with the *Hilton Batumi*. 4 beehives were installed on the terrace of *Hilton Batumi* to serve the hotel's guest by the Chairman of the Association, the hotel pays him also for taking care of those beehives. Following to the European trend of urban beekeeping, this is the first rooftop apiary in Georgia.
- 2 Local government bodies have helped fund *ABBA* for this year's festival. The MOAA non-commercial legal entity *Agroservice Centre* allocated 8,945 Gel to fund marketing activities and the Agency of the Cultural Heritage Preservation of the Ministry of Culture organized the second day of the festival in Gonio fortress. Both government bodies have developed their organizational skills and raised awareness among tourists and beekeepers.
- The festival has scaled up nationally, beekeepers from Imereti, Kakheti and Guria participated in it.
- The beekeepers paid 70 Gel for participation in the festival this year, to cover costs for honey jars, labeling, tee-shirts and caps, last year it was for free.
- 3000 flyers, 400 stickers and 2 advertising banners were distributed through the central streets, Batumi Boulevard, the Sarpi Customs, Batumi Airport and other tourism centres to promote the festival among honey producers and invite tourists, local and public officials. Media interest was high, they put festival stories on the webpages of the Department of Tourism and Resorts of Ajara, the Ministry of Agriculture of Ajara, the Government of Ajara, on the foremost Georgian marketing website www.kar.ge, www.interpressnews.ge, www.agrokavkaz.ge. The beekeepers gave the visitors their business cards resulting in a 20% increase in sales of their honey.

HoReCa sector

- 60% of FS&H trained HoReCa entities have been inspected by the NFA following trainings resulting in only a few recommendations compared to previous inspections. Before the trainings entities did not know how to comply with standards and fulfill recommendations including temperature control, storage record keeping.

Indirect Impact: Crowding in & Business Expansion

- *Dairy*: One cheese producer from Bejano Village, Akhalkalaki has invested 50,000 Gel in renovation of his cheese factory; he got consultation about the production process and equipment from ALCP SJ clients Hakob Hambaryan, Simion Darbinyan, GDCl and Star Consulting.
- *Dairy*: a programme facilitated vet pharmacy owner in Shuakhevi is building a cheese enterprise after seeing the TV programme *Perma* episode on the programme facilitated *Tsezari* cheese producing company in and the business profitability of *Natural Produktsia Ltd* in Khulo, he received information on the production process and equipment from them and invested his own money 15,000 gel.
- *Dairy*: Tamaz Shavadze from Didajara Village, Khulo is building a cheese enterprise after seeing the profitable market of *Natural Produktsia Ltd* with the grant of *ENPARD* and *Adjaristskali Georgia LLC* worth USD 20,000, he got information on the production process from *Natural Produktsia*

- *Meat*: 1 slaughterhouse will be opened in Kazbegi next year. They got information on the model of construction and FS&H requirements from *Alali*. It will be the only slaughterhouse in Kazbegi, farmers are now using the slaughtering service in Natakhtari, saving them around 6 hours travelling time.

Outcome 3: Gender DRR, and Governance

Direct Impact

3.2 Women's Access to Decision-Making Outputs (KK&AJ&SJ)

- In Phase 1&2 the Women's Rooms have provided 12,669 services to 6,089 people 68% women. The Women's Rooms have provided 3,487 consultation services, mostly to rural women who did not know how to handle certain official issues, for example, filling in forms, writing requests. Also to women who needed social and infants allowance or juridical information or assistance. The Women's Rooms have provided 1436 library services and 1362 Children's Corner services. The libraries were used by pupils, and by teachers, mostly they were interested in civic education books. The Children's Corner service is used by customers of local banks leaving their children there when needing to spend a long time in the bank. The Women's Rooms have provided 3,597 internet services. This service is used by the people who look for a job, send CVs, teachers receive information, youth use internet for communication.
- 21 dairy linked initiatives arising from community meetings are from villages where the programme facilitated dairy factories collect milk, indicating that community priorities are influenced by main livelihood opportunities. These initiatives included: renovation of 7 village roads to allow female farmers to access regular milk market, renovation of 8 kindergartens to save time from child care and spend this time on other income generating activities, 4 running water renovations to better follow FS&H standards, 1 animal movement route initiative for the biosecurity of their livestock, 1 bridge renovation to access their village pastures.
- The WRs have hosted 22 NGOs to train the WRs visitors in gender equality and domestic violence. 6 NGOs have signed memorandums with the WRs for future cooperation

(SJ&AJ)

- The WRs have helped farmers access 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; the WRs have helped all of them apply. The Adigeni WR has organized a women's petition to the Georgian Parliament to include Adigeni into a list of the Mountainous Settlements.
- The WRs in SJ have helped 9 women to find jobs: 5 are employed in the local self-government, 1 as a teacher and 3 in the kindergarten. They benefited from the trainings, information, consultancy and advice received in the WRs.
- 37 Public Officials 28 of whom were women in Ninotsminda municipality have passed the certification exams of the local self-government with the help of WR, they received information and pre exam tests in Armenian.
- The Women's Room in Batumi has trained 333 women in *Women's Entrepreneurship*, an additional result of which being an increased number of members of the Association of Business Women in Adjara from 22 to 34.
- There has been an increase in the number of men using the women's room due to the WR services offering help in registering for the mountainous region tax exemption. Women's numbers have increased also but their % of the whole has declined due to the large number of men using the service.

3.3 AMR&BSP (KK)

- The BSPs in Marneuli and Rustavi are now managed by the government it is a free service, shepherds save 200 Gel per 1000 heads.⁸³
- The BSPs have various facilities like watering points and safe system of waste management compared to the private ones which represent the remains from the Soviet Union Period and the threat for the environment as no proper waste disposal and management of toxic chemicals are being followed.
- 64% of cattle using the AMR and 16% of sheep were disinfected by the NFA BSPs in Marneuli and Rustavi. Farmers used the cattle shower service to treat their cattle against parasites, previously the cattle used to migrate without any treatment against parasites.
- The Ministry of Regional development and Infrastructure has funded an underpass for the migrating animals under the Rustavi highway, car accidents and animal deaths have decreased.
- The number of animals dipped in the BSPs and private dipping facilities are now being recorded by the NFA in a special database, previously there wasn't any recording system of migrated animal.

Indirect Impact: Crowding in

Akhaltzikhe municipality have copied the model of the WRs in the remote areas of the municipality and established 7 village women's rooms to provide consultations, advice, information and free internet to the rural people.

⁸³ There are some private sheep dipping facilities and farmers pay for the service

ANNEX 2: PERSPECTIVES OF ALCP STAKEHOLDERS

Outcome 1, Output 1.1: Activity 1.1.1 Owner of the Vet Pharmacy Dato Tatoshvili on Veterinary Service Outputs (SJ): ‘Regular milk suppliers now always pay for the vet service and preventative medicine before due to insecure market, nobody used to pay for the vet service. We are supporting them now by offering low interest rate loans or late payment for vaccination or veterinary medicines and the loans are very well used by the farmers.’

Outcome 1, Output 1.1: Activity 1.1.1: Female Satellite Vet, Guguli Bolkvadze, on Veterinary Service Outputs (AJ): ‘before I had 30 years old veterinary equipment from when I was a student and single use tools to do surgeries for the cattle and a polyethylene bag to carry veterinary medicines. Now I have new equipment and an insulated bag, they are very useful while providing service in the Adjara summer pastures. When farmers see the proper equipment they trust the service.’

Outcome 1, Output 1.1: Activity 1.1.2: Male Beekeeper Amiran Devadze on Beekeeping Outputs (AJ): ‘I tried many times to make royal jelly but I couldn’t do it. I attended a training on beekeeping, where I got detailed information on how to make this product and now I’m producing a new bee product. I am now a regular client of the beekeeping shop Impervet and I like it as they have all the high quality beekeeping equipment in one place at an affordable price.’

Outcome 1, Output 1.2: Activity 1.2.3: Male SSLP Zurab Geladze on Bull Service Outputs (AJ): ‘I have 9 improved breed calves. The calves are much more resistant to diseases and infections and they are growing at a pace faster than the local ones. I supply milk to the local cheese factory in Khulo and I plan to have more improved milking cows to get more milk yield.’

Outcome 1, Output 1.2: Activities 1.2.1: Female SSLP Gunai on Bull Service Outputs (KK): ‘I have had 4 improved breed calves and I am waiting for 3. Mostly, I am keeping female calves. I know that many farmers in our village are keeping the improved male calves for breeding and I will use the service in the future.’

Outcome 1, Output 1.3: Activities 1.3.1: Male Bull Owner Mamuka Khmaladze on Bull Service Outputs (SJ): ‘Before there was no pricing difference on cattle for breeding or for slaughtering. This year I have sold 24 cattle for breeding and 8 for meat and they paid 1-1.5 gel/kg more for improved breed cattle compared to the local breed, it is good that customers are paying more for improved breed cattle.’

Outcome 1, Output 1.3: Activity 1.3.1: Gori based Crowding in Machinery Shop Owner Malkhaz Khublauri on Machinery Service Outputs (KK): ‘I own a spare parts shop in Gori. Some customers used to ask me about machinery equipment, several months ago I went to the Mar-mot machinery shop in Tbilisi, the prices were cheap compared to other shops. I have just started buying from him the implements and spare parts with the wholesale prices and I will sell at the retail price.’

Outcome 1, Output 1.3: Activity 1.3.1: Tsalka Based Vet Pharmacy Owner and Agricultural Machinery Equipment Seller Roin Abuladze on Machinery Service Outputs (KK): ‘I own a vet pharmacy in Tsalka center, the Mar-mot Ltd machinery shop owner Adil suggested me to sell his equipment in my vet pharmacy, as there is no machinery shop in Tsalka, I have started selling it and 5% from the sales is my profit. I have already sold 3 milking machines and 16 tractor implements in 2 months.’

Outcome 1, Output 1.4: Activity 1.4.1: Head of the Georgian Association of Regional Broadcasters Natia Kuprashvili on Agri Journalism Intervention Outputs (KK): ‘The Journalism Resource Centre with a partnership of two media association of press and broadcasters and 5 regional universities prepared a Guide for Journalists and the Agri Journalism Study Modules, the modules have already successfully passed

internal accreditation in 6 universities to integrate the course into the Journalism Departments and in the 2017-18 academic year. We expect minimum of 300 students per year in each of the 6 universities.

Outcome 1, Output 1.4: Activity 1.4.1: Male SSLP Badri Gogelia on Access to Information Outputs (KK): ‘The articles about EU regulation and animal registration are very useful for us. We are afraid when we hear about new rules and we want to know more. The local newspaper writes articles especially for farmers; they know what kind of information we need.’

Outcome 1, Output 1.4: Activity 1.4.1: Female SSLP Manana Tskhilaishvili on Access to Information Outputs (AJ): ‘I am a subscriber to the newspaper (Ajara PS) and get it every week; I don’t know how to use internet resources, so this newspaper is the main source of agro information for me. I teach Biology at school and I shared information on the beekeeping and the benefits of honey with my class that I had read in the supplement.’

Outcome 2, Output 2.1: Activity 2.2.1: Restaurant Manager Ia Salukvadze on the Impact of the FS&H training (AJ): ‘One of the biggest challenges was when I was notable to fulfill the National Food Agency’s recommendations due to the lack of information and access to consultancy. After the training we got very clear and detailed instructions and I made immediate changes at work, it has already helped me to avoid fines from the NFA.’

Outcome 2, Output 2.2.: Activities 2.2.1: Female Milk Supplier Makvala from Tsalka, on Dairy Market Outputs (KK): ‘My son goes to Tbilisi Black Sea Academy. He has got a full governmental scholarship. My daughter is a university entrant and she wants to be a doctor. Neither I nor my husband has high education and I will do everything to support to my children. We keep cattle and supply milk to the dairy factory. I pay all the costs related to my children’s education with the money I get from selling milk.’

Outcome 2, Output 2.3: Activity 2.3.7: Programme Client Matchakhela Ltd Director Tamaz Kakhidze on Honey Intervention Outputs (AJ): ‘Our honey has become more popular among the HoReCa sector and supermarkets after media coverage and the honey festival. The distribution car purchased after the programme’s facilitation helps me to be more mobile and to offer my products to different customers in Georgia. I am now supplying honey and honey souvenirs to one of the largest hotels in Ajara, Hilton Batumi and demand is increasing step by step.’

Outcome 2/3, Output 2.3/3.1/3: Male Beekeeper Akaki Aphkhazava, on the Honey Festival Outputs (AJ): ‘I sold honey worth Gel 300 during the Honey Festival. 3 people have already contacted me to purchase my honey since then.’

Outcome 2, Output 2.3: Activities 2.3.1: Owner of the Wool Processing Enterprise Tamar Tsikarishvili on Wool Intervention Outputs (SJ): ‘Before my factory capacity was 2 - 2.5 tons and we were working only from May to October, now we have doubled production and sales and we work all year round. We have found a new market for supplying washed wool.’

Outcome 2, Output 2.2: Activity 2.3.1: Kazbegi based Crowding in Slaughterhouse Owner Gugua Marsagishvili on Meat Market Outputs (KK): ‘I have known the manager of Alali slaughterhouse in Marneuli for a long time, I liked his business and wanted to set up my own slaughterhouse in Kazbegi. I have my own restaurant, and when I need meat I buy cattle from farmers and for slaughtering I go to Natakhtari which takes 2 hours each way as the service doesn’t exist in Kazbegi. I decided to open my slaughterhouse and I contacted Alali and received advice and consultancy on how to set up the a similar slaughterhouse. Now I am buying land from our local municipality.’

Outcome 2, Output 2.2: Representative of the NFA Department in Kvemo Kartli Manana Uzunashvili on KKRDA Intervention Outputs (KK): ‘Hygiene, milking procedure and livestock health were issues we discussed with

farmers in the meetings organized by the KKRDA. In the beginning the farmers said that they knew everything about these issues but later they had more and more questions and we replied to all the questions.’

Outcome 3, Output 3.2: Activity 3.2.1: Male SSLP Saivush Kerimov on BSP Service Outputs (KK): ‘It is very good and unbelievable that we are bathing our sheep and cattle for free. We used to pay private dip owners 0.5 Tetri per sheep which is 100-150 GEL for a flock plus we paid for the chemicals liquids; It is the first time when the National Food Agency is taking over the reins and I’m sure they will improve this process step by step.’

Outcome 3, Output 3.2: Activity 3.2.1: Governor of Kvemo Kartli Paata Khizanishvili on Women’s Access to Decision Making Outputs (KK): ‘The Women’s Rooms services give new opportunities to women to develop their professional skills. I have regular meetings with the coordinators of the Women’s Rooms and for better management I am assigning new coordinator from the Governor’s Office who will be responsible for gender oriented activities throughout the region. This initiative will ensure coordination activities in all the municipalities and create a Women’s Room’s Network in Kvemo Kartli.’

Outcome 3, Output 3.2: Activity 3.2.1: Marneuli Women’s Room Coordinator Rima Otarashvili on Women’s Access to Decision Making Outputs (KK): ‘After establishing the Women’s Room women have started talking about their needs, speaking out in the community meetings, visiting the local self-government and asking for help. In Marneuli women instigated 12 initiatives on kindergartens, village roads, water renovation, after their initiatives in Kapanakchi and Khikhani villages the local self-government opened kindergartens. We work hard to promote our service among rural people through 4 female and 2 male coordinators in the villages.’

Outcome 3, Output 3.3: Activities 3.2.5: Khulo Women’s Room Coordinator, Salome Abuladze on the Intervention Outcomes (AJ): ‘The space has been used not only for getting information, but also for trainings and seminars on different topics. For example, one English teacher conducted lessons for their students and used our projector and computer equipment.’

Outcome 3, Output 3.2: Activity 3.2.1: Gamgebeli of Akhaltsikhe Municipality Zaza Melikidze on Women’s Access to Decision Making Outputs (SJ): ‘We see that the Women’s Rooms are working well. This year we have financed the renovation of 7 village houses in Samtskhe-Javakheti. The village houses will provide the same services as the Women’s Rooms have.’

Outcome 3, Output 3.3: Activities 3.3.1: Head of DRR WG in Shuakhevi, Zviad Diasamidze on DRR Outputs (AJ): ‘We have identified 34 hotspots of Brucellosis and Pasteurellosis and 1000 head of cattle have been prevented from being infected. We have also used our equipment for responding to natural disasters, like heavy rain and landslides and helped families with moving to shelters.’

ANNEX 3: SYSTEMIC CHANGE LOG

#	Programme Client's & Intervention Name	Type of Systemic Change	Verification		Impact Calculation added to system (Y/N) (Direct/Indirect/Quant/Qual/Both)	Name Location & (Region, Municipality)	Starting Date	Business Description & Stability	Attribution to the Programme
			Source	Verified/not Verified (& date if verified)					
1	1.1.1 Roki/Jamal Dekanadze (KK)	Crowding in	Client, Interviewer, BDO	Verified/ June 2016	Y Indirect Both	Marina Shavadze Tsalka	May 2015	A vet pharmacist working in one of the programme facilitated vet pharmacies in Tsalka has opened a new vet pharmacy with the help of Roki after seeing the profitable market, offering all the Roki's services, including cheap loans.	The working experience with the programme facilitated vet pharmacy helped the vet pharmacist to open her own business.
2	1.1.1Roki Ltd (AJ)	Business Expansion	Client	Verified/ August 2016	Y Direct Both	Koba Kochalidze Khulo/ AJ	July/ 2016	1 vet pharmacy owner was granted 5,000 Gel from 'Produce in Georgia' to expand his business.	The programme facilitated training on capacity building in business skills inspired him to fill in the application.
3	1.1.1. Roki Ltd (SJ)	Business Expansion	Client/BDO	Verified/ August 2016	Y Direct Both	RAS Akhalkalaki	June/2016	Seeing the profitable market Vet Pharmacy/Rural Advisory Service (RAS) has opened one more vet pharmacy/input supply shop in Akhalkalaki, & invested 15,000 Gel to expand their business operations.	Programme client.
4	1.2 Tractor Service LLC (SJ)	Business Expansion	Client/BDO	Verified/ August 2016	Y Direct Both	Tractor Service LLC Akhaltsikhe	May 2016	Tractor Service LLC opened a new machinery shop in the Akhaltsikhe Agrarian Market. Besides motto-blocks and its implements, the new shop sells engines, tires, and many other spare parts.	Programme client.

5	1.2.3 Bull Replacement in SJ	Crowding in	Client/BDO	Verified/ August 2016	Y Indirect Both	David Gorgadze, Zura Peikrishvili Borjomi, Kaspi	May 2016	2 new bull owners who serve farmers with breeding service, some pay in kind and some in cash	They copied the model from programme clients after seeing the difference in live weight of calves born.
7	1.5.1 Agricultural Machinery Shop Mar-Mot (KK)	Crowding in	Client	Verified/ June 2016	Y Indirect Both	Malkhaz Khublauri Gori	June/2016	1 Machinery operator from Gori has established his own machinery shop	He is buying implements and spare parts at wholesale prices from <i>Marmot</i> and sells at retail price as the <i>Marmot</i> has in his Tbilisi shop
8	2.2. BDS First Consulting (KK)	Crowding in	Client	Verified/ May 2016	N Qual	Management Consulting International' Tbilisi	December/ 2015	The BDS company 'was established in 2014 and since December 2015 has been providing business plans to customers.	It copied the model of writing business plans for rural and agri clients from the programme's client
9	2.2.2. Intellect/ BDS service (AJ)	Business Expansion	Client	Verified/ May 2016	Y Direct Both	Intellect Batumi/ AJ	March/ 2016	<i>Intellect</i> has received a 361,000 Gel grant from ENPARD to implement ' <i>Rural Development Programme</i> '. Farmers from Khulo and Keda municipalities have been trained in business skills, a machinery center and a demonstration guesthouse are going to open in Riketi, Khulo municipality.	Programme Client
10	2.2 Dairy in SJ	Crowding in	Client/BDO	Verified/ September 2016	Y Indirect Both	Mikhag Egoriani Bejano Village, Akhalkalaki Municipality	May/2016	One cheese producer from Bejano Village, Akhalkalaki has invested 50,000 Gel in renovation of his cheese producing factory	He got consultation about the production process and equipment from the ALCP SJ clients Hakob Hambaryan, Simion Darbinyan, GDCI and Star Consulting.
12	2.3.1 Dairy in KK Milken	Business Expansion	Client/ BDO	Verified/ June 2016	Y Direct Both	Milken Gardabani/KK	April/ 2016	After HACCP certification <i>Milken</i> has started distribution to Zghapari, Gantiadi, La Family, Eldorado and Modern shops.	Programme client.
13	2.3.3. Dairy in AJ Natural Produktsia Ltd	Crowding in	BDO	Verified/ May 2016	N Qual.	Tamaz Shavadze Khulo/ AJ	April/ 2016	Tamaz Shavadze from Didajara Village, Khulo is building a cheese enterprise with an <i>ENPARD</i> and	After seeing the profitable market of <i>Natural Produktsia Ltd</i> , he got information on the


								<i>Adjaristskali Georgia LLC</i> totaling 20,000 USD	production process from him.
14	2.3.3. Dairy in AJ Natural Produktsia Ltd	Crowding in	BDO	<i>Verified/ July 2016</i>	N Qual.	Roman Joidze Shuakhevi / AJ	<i>May/ 2016</i>	A programme facilitated vet pharmacy owner in Shuakhevi is building a cheese enterprise and invested 15,000 Gel of his own money	After seeing Perma on the Public Broadcaster on the programme facilitated Tsezari cheese producing company in Tsalka and the business profitability of <i>Natural Produktsia</i> Ltd in Khulo he decided to open a cheese enterprise. He got information on the production process and equipment from <i>Natural Produktsia</i>
15	2.3.2. Meat in AJ Ori Gio Ltd	Business Expansion	Client	<i>Verified/ May 2016</i>	Y Direct Both	Ori Gio Ltd Khulo/ AJ	<i>May/ 2016</i>	<i>Ori Gio Ltd</i> has won a tender to provide meat to 5 kindergartens in Shuakhevi municipality and 12 in Khulo municipality for 430 kg/month	Programme client
11	2.3.1 Meat in KK Alali Slaughterhouse	Crowding in	Client/BDO	<i>Verified/ September 2016</i>	N Qual	Gugua Marsagishvili Kazbegi	<i>Possibly since 2017</i>	Gugua Marsagishvili from Kazbegi decided to establish a slaughterhouse in Kazbegi as farmers have to go to Nataktari, Mtskheta to get the service. The Local Government in Kazbegi has already announced a tender for him to purchase land.	Gugua met the programme facilitated client Alali and got information about equipment, where to buy how to plan, how to build and all the processing line.
16	2.3.7. Honey in AJ Matchakhela Ltd	Business Expansion	Client	<i>Verified/ May 2016</i>	Y Direct Both	Matchakhela Ltd Khelvachauri/ AJ	<i>April/ 2016</i>	Matchakhela Ltd won a tender of <i>Adjaristskali Georgia LLC</i> under the name of Association ' <i>Matchakhela Honey</i> ' 4,000 GEL to train beekeepers. 308 beekeepers in Shuakhevi and Khulo municipality have got information on the food safety and hygiene standards related to the honey sector.	Client has used the programme facilitated information on FS&H standards.

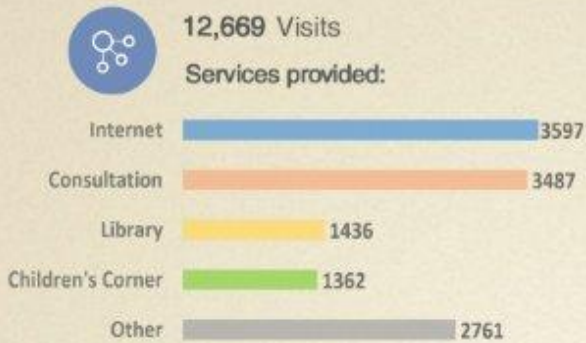
17	2.3 Wool in SJ IE Manana Tsikarishvili	Business expansion	Client/ BDO	<i>Verified/ June 2016</i>	Y Direct Both	Manana Tsikarishvili Khashuri Aspindza	<i>Starting Date - May 2016</i>	The client is now going to sell washed wool and provide wool washing services to small scale wool processors. The enterprise is currently negotiating with 2 enterprises, one in Khashuri to provide them with 5 tons of washed wool/year.	Programme client
18	3.3.1. Black Sea Eco- Academy (AJ)	Business Expansion	Service contractor	<i>Verified/ July 2016</i>	Y Direct Both	Tbilisi (covers all regions)	<i>June/ 2016</i>	<i>Black Sea Eco-Academy</i> has won a tender under <i>Disaster Preparedness ECHO (DIPECHO)</i> to implement the project ' <i>Disaster Risk Reduction and Community Resilience</i> ' for socio-economic development of Khulo, Shuakhevi and Keda municipalities.	<i>Black Sea Eco-Academy</i> used the knowledge of the programme facilitated survey ' <i>Human Wildlife Interface</i> '

Women's Access to Decision Making

The Municipal Women's Rooms Aggregated Data 2013-2016

 6,089 Visitors
 4,186 Women

 1,767 Women trained in business planing, language and computer skills



Data by the Regions

● 2013
 ● 2014
 ● 2015
 ● 2016




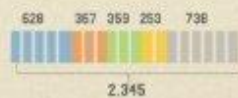
 **AJ VISITORS: 1497**
WOMEN VISITORS: 939

 484 women trained



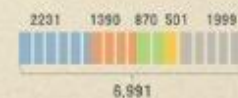
 **SJ VISITORS: 1,662**
WOMEN VISITORS: 1,334

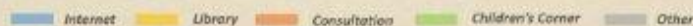
 434 women trained



 **KK VISITORS: 2,884**
WOMEN VISITORS: 1,906

 849 women trained




 Internet Library Consultation Children's Corner Other

The Women's Room is a municipal service housed in the LSG building in each municipality of Kvemo Kartli, Adjara and Samtskhe Javakheti. There are already 19 Women's rooms in 19 municipalities of Georgia. It is a resource center and communal space which aims to help the local population, especially women residing in rural areas, access local government and its resources and encourage and increase women's participation in decision making.

Women's Participation in Community Meetings

06.2016 | ALCP – KK/SJ/AJ

10,981 Female participants out of a total at 41,016 people attended community meetings in March 2016 in 3 regions (KK, AJ, SJ)

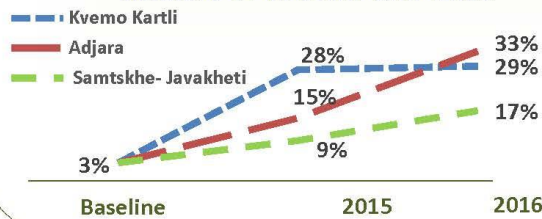


22%  27%

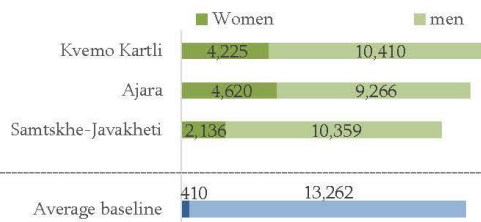
2015 **2016**

The total percentage of women's participation in the community meetings of Adjara, Samtskhe- Javakheti and Kvemo Kartli

WOMEN'S ATTENDANCE IN COMMUNITY MEETING BY REGIONS AND YEARS



PARTICIPATION OF VILLAGE POPULATION IN COMMUNITY MEETINGS BY REGIONS AND GENDER IN 2016



Projects initiated by women:

Children's playgrounds, heating and water systems for village kindergartens, community libraries, water and sanitary systems renovation.



Women's Instigated Initiatives

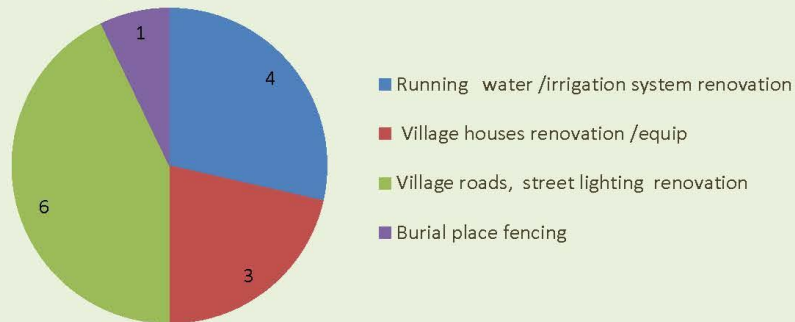


68 Women's Initiatives Instigated in KK, AJ & SJ in 2016

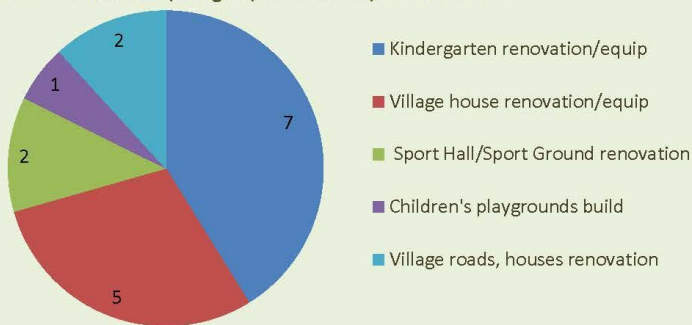
21 Initiatives worth 337,431 GEL (147,349 USD) instigated by women in community meetings in 4 municipalities of KK - Marneuli, Tetritskaro, Gardabani and Tsalka



14 Initiatives worth of 57,199 GEL (24,978 USD) instigated by women in community meetings in 3 municipalities of AJ- Khulo, Shuakhevi and Keda



17 Initiatives worth of 216,002 GEL (94,324 USD) instigated by women in community meetings in 4 municipalities of SJ - Akhaltsikhe, Adigeni, Akhalkalaki, Ninotsminda.



Women's instigated initiatives besides community meetings

16 Additional livelihood related initiatives instigated by women from Kvemo Kartli region, out of which five- 9116 GEL (3,980 USD) worth activities have already been financed from local municipal budgets. The rest 11- are pending to be financed.

ANNEX 5: LIST OF INTERVENTIONS UNDERTAKEN IN THE REPORTING PERIOD

LIST OF INTERVENTIONS UNDERTAKEN IN THE REPORTING PERIOD (FROM 1 st OF March 2016 – TILL 31 st OF August 2016)												
	Intervention Name Logframe Outcome/ Output/ Activity	Name of Company and Legal status	Person to Contact	Location	Description	Interventions Starting Date	Total Budget		ALCP Contribution	Client Contribution	Third Party	Clients Performance
							USD	%				
1	1.1.1 Association Farmers of Future /ALCP AJ	Non-Entrepreneurial (Non-commercial) legal person Association on Farmers of Future	Rusudan Gigashvili	Opposite side of 91 Ketevan Tsamebuli Ave. Isani district, Tbilisi,	Farmers' Association (Capacity building of veterinarians)	20/6/2016	USD 12594	100%	8033 64%	2405 19%	2156 17%	Very Good
2	1.1.1 ROKI /ALCP KK-3	LTD ROKI	Davit Bostashvili	Opposite side of 91 Ketevan Tsamebuli Ave. Isani district, Tbilisi	Vet. Drugs distribution company	19/08/2016	USD 92540	100%	28432 30.72%	64108 69.28%		Very Good
3	1.2.1 Trade Pro/ ALCP AJ -1	LTD Trade Pro	Giorgi Kharati	33 Flat, Street petritsi #19, Vake-Saburtalo district, Tbilisi, Georgia	Livestock seller	10/3/2016	USD 48,971	100%	20,776 42%	11,630 24%	16565 34%	Very Good
4	1.3.1 Agricultural Machinery	004 ALPC	Adil Piriev	Former-potato farm, Marneuli.	Agricultural Machinery shops (Tsalka and Gardabani municipalities)	14/05/2015	USD 249631.5	100%	87436.85 35%	162194.65 65%		Very Good
5	1.3.1 LTD Agro Trading /ALCP KK - 1	LTD Agro Trading	Lajvardi Shavadze	New Dioknisi village, Marneuli region, Georgia	Combined feed producer	04/08/2016	USD 76780	100%	40220 52.38%	36560 47.62%		Recently financed ⁸⁴
6	2.2.1 Star Consulting/ALCP AJ-3	LTD Star Consulting	Ekaterine Burkadze	43 Flat, 9b Antonovskaia street, Vake-Saburtalo district, Tbilisi	The consulting company for Food Safety and Hygiene	19/5/2016	USD 4772	100%	3997 84%	563 12%	212 4%	Very Good
7	2.2.1 Star Consulting/ALCP KK - 5	LTD Star Consulting Company	Ekaterine Burkadze	43 Flat, 9b Antonovskaia street, Vake Saburtalo district, Tbilisi	The Consulting Company for Food Safety and Hygiene	01/06/2016	USD 13424	100%	10739 80%		2685 20%	Very Good
8	2.2.1 FIRST CONSULTING COMPANY/ALCP KK-2	LLC First Consulting Company	George Gigolas hvili	Flat 6, Bulding 3, Gldani district V, Tbilisi, Georgia	The Consulting Company – Business Plan	02/06/2016	USD 13726	100%	12354 90%		1372 10%	Very Good

⁸⁴ The intervention has been financed recently, in August, 2016, and is under procurement of equipment.

9	2.1.1 CaBaRe/ ALCP AJ -1	Non-Entrepreneurial (Non-commercial) legal person Ajara Cafes, Bars and Restaurants Association	Vakhtang Gachava	26 A. Melashvili street, Batumi	Association of HoReCa entities providing FS&H trainings	5/7/2016	USD	11864	5631	6233		Very Good
							%	100%	47.5%	52.5%		
10	2.2.9/3.3.4 Shervasi Ltd/ ALCP AJ -1	LTD Shervasi	Izolda Pagava	7 -a Sh. Inasaridze street, Batumi	Disinfection, Vermin and Pest control services	7/6/2016	USD	71310	20680	50630		Very Good
							%	100%	29%	71%		
11	2.3.1 Alali-2015 / ALCP KK - 3	LTD Alali	Goderzi Gigauri	Vashlovani village, Tetrtskaro	slaughterhouse	15/07/2016	USD	44969	23069	21900		Very Good
							%	100%	51.30%	48.70%		
12	2.3.1 Aleksandre Naveriani/ALCP KK-2	Individual Entrepreneur Aleksandre Naveriani	Aleksandre Naveriani.	Ponichala village of Gardabani Municipality	Cheese Production Company	09/06/2016	USD	21737	12337	9400		Very Good
							%	100%	56.76%	43.24%		
13	2.3.1 Milken /ALCP KK - 4	LTD Milken	Iveri Gabaruli.	XIV district, building #46, apt 57, Rustavi	Cheese Production Company	19/04/2016	USD	24331	15131	9200		Very Good
							%	100%	62.19%	37.81%		
14	2.3.1 Manana Tsikarishvili /ALCP SJ - 2	IE Manana Tsikarishvili	Manana Tsikarishvili	Village Klde of Akhaltsikhe Municipality	Wool Producer Company	24/08/2016	USD	38797	20000	18797		Very Good
							%	100%	51.55%	48.45%		
15	2.3.2 Gio-2001/ ALCP AJ-1	LTD Gio-2001	Mikheil Beridze	Tskhmorisi administrative unit, Keda Municipality	Slaughterhouse	5/5/2016	USD	78224	43524	34700		Very Good
							%	100%	55.64%	44.36%		
16	2.3.2 Iveri Zoidze / ALCP AJ -1	I.E. Iveri Zoidze	Iveri Zoidze	Village Okropilauri, Shuakhevi municipality	Slaughterhouse	30/5/2016	USD	27271	17044	10227		Very Good
							%	100%	62.5%	37.5%		
17	2.3.2 Ori Gio/ ALCP AJ -2	Ori Gio Ltd	Nodar Katamadze	Stepanashvili village, Khulo municipality	Slaughterhouse	13/7/2016	USD	27791	15122	12669		Very Good
							%	100%	54.4%	45.6%		
18	2.3.5/3.1.3 Batumi Botanical Garden ALCP AJ-1	Non-Entrepreneurial (Non-commercial) legal person Batumi Botanical Garden	Irakli Archaia	Green cape, Batumi, Georgia	Botanical Garden	10/05/2016	USD	207287	116234	91053		Very Good
							%	100%	56.07%	43.93%		
19	2.3.5/3.1.10/3.2 Business Association of Ajarian Beekeeping/ ALCP AJ -3	Business Association of Ajarian Beekeeping	Roland Kezheradze	26 A. Melashvili street, Batumi	Advocacy and facilitation on capacity building of beekeepers	14/7/2016	USD	11948	7373	766	3809	Very Good
							%	100%	61.7%	6.4%	31.9%	

20	2.3.6 Bakuri/ ALCP AJ -1	LTD Bakuri	Zurab Jintchar adze	Legal address: 49/4 Z.Gamsakur dia/Tchavtcha vadze street, entrance 4, 2nd floor, apt. 51., Batumi Actual address: 4 Mayakovski str., Batumi	Agricultural market	21/3/ 2016	US D	2204 86	78361	142125	Very Good
							%	100 %	35.54%	64.46%	
21	2.3.7 Matchakhela Ltd/ALCP AJ- 1	LTD Matchak hela	Tamaz Kakhid ze	17 Didatchara str., Batumi, Georgia	Honey producer company	4/3/2 016	US D	6157 0	36345	25225	Very Good
							%	100 %	59.03%	40.97%	
22	3.1.2 Kvemo Kartli Regional Development Agency/ALCP KK - 2	Kvemo Kartli Regional Develop ment Agency	Mikheil Gurtska ia	Megobroba ave #1, 3700 Rustavi	To enhance and Strengthen KK RDA's role and services	11/05 /2016	US D	540	540	0	Mode rate
							%	100 %	100%	0	
23	3.2.3 Association of Businesswom en of Ajara/ ALCP AJ -2	Associati on of Business women of Ajara	Makval a Kvirika dze.	A. Melashvili Street. # 26, Batumi, Georgia,	Consulting and assisting beneficiaries	9/3/2 016	US D	1504	690	814	Very Good
							%	100 %	45.88%	54.12%	
24	3.2.5 Khelvachauri Municipality/ ALCP AJ-1	Khelvach auri Municipa lity LSG	Gange beli of Munici pality Nadim Varsha nidze	Didachara str. #3, Daba khelvachauri, Georgia	Local Self- Government (WR)	06/04 /2016	US D	1372 2	8974	4748	Very Good
							%	100 %	65.40%	34.60%	
25	3.2.5 Kobuleti Municipality/ ALCP AJ-1	Kobuleti i Municipa lity LSG	Gange beli of Munici pality Sulxan Evgeni dze	D. Aghmasheneb eli str. #141, Georgia	Local Self- Government (WR)	30/08 /2016	US D	1195 9	9313	2646	Good
							%	100 %	77.87%	22.13%	
26	3.3.1 Marneuli Municipality/ ALCP KK-1	Marneuli Municipa lity	Merab Topchi shvili	Marneuli Rustaveli street 73	Local Self- Government (DRR)	15/06 /2016	US D	2129 0	15000	6290	Good
							%	100 %	70%	30%	

ANNEX 6: GODERDZI ALPINE BOTANICAL GARDEN STATUS REPORT

Date: 15.09.2016

Acronyms

BBG: Batumi Botanical Garden

GAG: Goderdzi Alpine Garden

MBG: Munich Botanical Garden

Current Main Steering Activities

Item and Key Documents produced to date	Comment/ Action
Fence & Gates Construction	Contractor has been selected by ALCP, who started the construction of fence and gates for GAG
Securing the finances from AGL	Based on the MoU signed between 6 stakeholders (ALCP, BBG, Batumi City hall, Dept of Tourism of Ajara, Khulo Municipality and AGL), AGL is donating 100, 000 USD to GAG project development with, which will be transferred to BBG under a grant agreement to be signed between MC ALCP, BBG & AGL.
Landscape Design/Development Plan	The group of relevant BBG staff has started to work on Landscape Design/Development Plan for GAG area, based on which development works will be implementing in the next years.

Legend

	Completed
	Ongoing, On time
	Slight delay, not detrimental
	Delay: Problem

Ongoing Status Report

Item & Key Documents	Status	Comment/ Action	Follow up
Fence construction ToR Tender Announcement Service Contract		The service contractor (construction company) has been selected by ALCP through tender, who started fence and gates construction works and is expected to be completed by mid-November, 2016. High wheel base car purchased for all season visits.	Procurement procedures for the rest of the works to be done will be launches as soon as the grant is transferred from AGL. Expected time for completion of all works is next summer, 2017.
Fundraising from Adjaristsqali LLC MoU Grant Agreement with AGL		Alpine Garden project has been already included in AGL's social responsibility investment plan for the next 3 years. AGL agreed to contribute 100, 000 USD into GAG development, which was officially approved by signing of the MoU in August, 2016. In the scope of MoU, Batumi City hall will issue finances for GAG management and operations, The Department of Tourism will help BBG in promotion of GAG and the	Based on signed MoU, the grant agreement between AGL, BBG and MC ALCP has been developed. The total amount of grant to be issued by AGL to BBG for GAG development is 100, 000 USD.

		Khulo Municipality will rehabilitate the access road (3km) to GAG.	
6 th AABG Conference GAG Presentation		ALCP facilitated the participation of BBG director, BBG international programs coordinator in the 6 th Alpine and Arctic Botanic Gardens (AABG) conference in Pont-de-Nant, Switzerland, in September where GAG was presented and experience from other alpine gardens (12 gardens) were shared.	ALCP facilitated the linkages between BBG and other Botanical Gardens in Europe. As a result, exchange of gardeners and technical backstopping from experienced alpine gardens was offered to BBG.
Linkages and communication with Munich Botanical Garden (MBG) Overview of Alpine Gardens in Europe		Building on an existing MOU of cooperation between MBG and BBG, a working linkage over the GAG has been established and 2-way communication is ongoing. ALCP/BBG hosted Andreas Groeger (MBG Curator) in June and Stephen Schneider (Director of Operations at the Arnold Arboretum of Harvard University) at GAG site visit, where both of the experts studied the area and provided recommendations to BBG in proper planning and management.	ALCP co-financed capacity building study tour (2 weeks) for GAG Manager, Temur Vasadze, in MBG and Schachen Alpine Garden. In September 2017, MBG gardener will come to Georgia to help BBG in horticultural works.
Procurement of Architectural & Engineering plans and cost-estimation of buildings and fence ToR Service Contract Designs & Plans and Cost-estimation of buildings and fence		Contractor has been selected by ALCP through tender, who submit the final Architectural & Engineering plans of the buildings & fence in the beg of August, 2016. The design/plans and cost-estimation was made for the fence & gates, ticket sales booth, gift shop +café, beekeeper's house (traditional wooden Ajarian house), parking and WCs in March/April.	The budget for the 2 nd phase intervention was finalized based on the final cost-estimations made. The total budget of the GAG creation and development is divided between three parties: ALCP, AGL and BBG and amounts to 300, 000 USD.
Procurement of Topographic Map of GAG area ToR Topographic Map		Topographic Map of GAG territory (10ha) has been procured by ALCP for BBG. May.	Topographic Map is used in planning the buildings and fence and will be used in developing Landscape Design/Development Plan.
Developing Program documents ALCP Application Form Results Chain (RC) ALCP Investment Plan 1st & 2nd phase Grant Agreement		AF submitted by BBG was approved. RC and IP were developed, based on which first phase grant agreement with BBG was signed. The first phase includes procurement of Tree Register, Topographic Map, Architectural & Engineering plans of the buildings & fence and cost-estimation and GAG Manager study tour related costs.	The first phase intervention was followed by the 2 nd phase, which includes construction of the fence and gates + high wheel car for GAG staff.
Securing the Land Arial map of territory, Preliminary Garden Layout Design, Tree Register Topographic Map		The land for GAG development has been secured by the Batumi City hall from the Government of Georgia and has transferred ownership rights to BBG. July 2016.	The permit for the construction of fence and gates has been granted to BBG by the Khulo Municipality.

Finding out the stakeholders experienced in eco buildings Stakeholder List		BBG + ALCP made a research on market actors who can work on design & construction using eco methods. The list of the actors has been developed.	All the actors are being consulted when making the budget estimates.
Finding out the Procedures and requirements for construction permit Meeting Minutes Construction Permit Informational Poster		The programme facilitated a meeting of BBG working group and Gamgebeli of Khulo & Head of the municipality architectural department to present the GAG project and find out procedures for getting the construction permit. Gamgebeli expressed his enthusiasm and will provide support to the project. Additional meeting with the Head of Architectural Department at the Ministry of Finance, and Economy of Ajara AR was held, where the permit requirements and procedures were discussed.	Based on the facilitated meetings and discussions, the fence and gates construction permit was issued by the Khulo Municipality promptly. The information posters are placed in the center of Khulo municipality and Goderdzi Pass. ALCP facilitated the information dissemination through Khulo W's R.
Drafting the estimated Budget Preliminary Outline Budget		Preliminary estimated budget has been made by BBG and AJ Programme Engineer, which was finalized according to the architectural and engineering project and cost estimation of the buildings and fence made by the ALCP contractor selected by tender.	Based on estimated budget, decisions regarding financing, phases, etc. has been made.
Appointing the Manager Job Descriptions of GAG staff		BBG director has nominated the candidate for the position of GAG project manager. He is local, is well aware of the territory and speaks English at communication level.	GAG project manager will be the main contact person and will be fully involved in project planning related issues.
GAG Working Group Meeting Minutes List of existing and planned flora in GAG area		The Working Group was created by the program facilitation (15 th of January, 2016) and is held weekly. The Group is made up of 18 persons from BBG, Batumi City Hall, AGL, Ajara Tourist Products Development Agency (Department of Tourism), Khulo Municipality Gamgebeli and ALCP. The Group meets every week and discusses the progress. Other relevant parties are invited if needed.	Working group of qualified specialists will be created under the special ordinance of Batumi Mayor, which will work on developing Land Arrangement Regulation Plan requested by Khulo Municipality/ the Ministry of Finance and Economy of Ajara.
Mapping and Zoning the territory Arial map of territory, Preliminary Garden Layout Design		Preliminary Mapping and Zoning was done by BBG in both languages. Spring 2016	
GAG Concept Paper BBG Concept Note		The Final Concept Paper handed in by BBG has been translated into English and is reflected in the ALCP Investment Plan (IP). March 2016.	