



ALCP | Alliances
Caucasus Programme
REGIONAL MARKET ALLIANCES IN THE SOUTH CAUCASUS

ANNUAL REPORT APRIL 2018 TO MARCH 2019



Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra

Swiss Agency for Development
and Cooperation SDC



KEY CONTACT POINTS

Mercy Corps Europe	Mercy Corps Georgia	Mercy Corps Georgia
Jon Novakovic,	Irakli Kasrashvili,	Helen Bradbury
Senior Programme Officer	Country Director	ALCP Team Leader
96/3 Commercial Quay, Edinburgh	6 G. Gegechkori Street	6 G. Gegechkori Street
Scotland, UK, EH6 6LX	Tbilisi 0179, Georgia	Tbilisi 0179, Georgia
Tel. +44 (0)131 662 5160	Tel: + 995 (32) 25-24-71	Tel: + 995 (32) 25-24-71
Fax +44 (0)131 662 6648	Mobile: + 995 (99) 10-43-70	Mobile: + 995 (99) 10-43-70
Email: jnovakovic@mercycorps.org	Email: ikasrashvili@mercycorps.org	Email: teamleader@alcp.ge

NOTE ON ANNEXES

The tables in the main body of the report contains only quantitative indicators. Quantitative indicators alone cannot fully describe programme impact. Qualitative indicators, stakeholder's perspectives and the systemic change log contain essential information to provide a full picture of programme impact and are found in Annex 1, 2& 3. Annex 4 lists each intervention carried out in the reporting period. Further annexes contain important in depth information on key programme interventions.

LIST OF ABBREVIATIONS

ADA	Austrian Development Agency
AI	Artificial Insemination
AJ	Ajara
ALCP	Alliances Caucasus Programme
AMR	Animal Movement Route
BDS	Business Development Services
BEAT	Business Environmental Audit Tool
BEC	Business and Economic Centre
CEDAW	Convention of the Elimination of Discrimination Against Women (UN)
CIS	Commonwealth of Independent States
CNF	Caucasus Nature Fund
CPC	Cheese Producing Centre
CSR	Corporate Social Responsibility
DCFTA	Deep and Comprehensive Free Trade Agreement
DRR	Disaster Risk Reduction
DRRWG	DRR Working Group
EASC	Euro-Asian Council of Standardization Metrology and Certification
EBRD	European Bank for Reconstruction and Development
EC	European Commission
EEU	Eurasian Economic Union
E+I	Employment and Income Network (SDC)
EUAA	European Union Association Agreement
FFI	Flora and Fauna International
FS&H	Food Safety and Hygiene
GARB	Georgian Association of Regional Broadcasters
GDCI	Growth Development & Continuous Improvement of your business (name of a company)
GEL	Georgian Lira (currency)
GoG	Government of Georgia
GOST	Technical Standards maintained by EASC
GMP	Good Management Practice (FS&H assessment)
GSA	Georgian Shepherds Association
HACCP	Hazard Analysis Critical Control Point
IAAD	International Agricultural
ICCN	International Centre for Conflict and Negotiation
IE	Individual Entrepreneur
IFAD	International Fund for Agricultural Development
IFC	International Finance Corporation
ISF	Investment Support Facility
KK	Kvemo Kartli

LHP's	Livestock and Honey Producers
LLC	Limited Liability Company
LSG	Local Self Government
MAP	Monitoring Action Plan Meeting
M4P	Making 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
MSA	Market Systems Approaches
MSD	Market Systems Development
NFA	National Food Agency
OPA	Outside Programme Area
PPP	Public Private Partnership
RC's	Results Chains
SDA	Strategic Development Agency
SCCSF	Support Centre for Civil Society Formation
SDC	Swiss Agency for Development and Cooperation
SCO	Swiss Cooperation Office
SECO	State Secretariat for Economic Affairs
SJ	Samtskhe-Javakheti
SME	Small & Medium Enterprise
SPPA	Support Programme for Protected Areas (GFA Consultants Group)
TJS	Transboundary Joint Secretariat (WWF)
TRACES	Trade Control and Export System
UK	United Kingdom
WWF	World Wildlife Fund

<i>Key Contact Points</i>	2
<i>Note on Annexes</i>	2
LIST OF ABBREVIATIONS	3
PROGRAMME DESCRIPTION	6
STRATEGIC REVIEW AND OUTLOOK	8
MAIN RESULTS ACHIEVED	8
MAIN STEERING IMPLICATIONS FOR THE NEXT PERIOD OF INTERVENTIONS	9
CHAPTER 1 – OPERATIONAL ENVIRONMENT	11
1.1 UPDATE OF THE STAKEHOLDER ANALYSIS	11
1.2 EVOLUTION OF THE CONTEXT (IN PARTICULAR POLITICAL RISKS AND OPPORTUNITIES)	11
1.3 BILATERAL OR MULTILATERAL ISSUES OF NOTE FOR POLICY DIALOGUE	12
CHAPTER 2 – OUTCOMES ACHIEVED SINCE APRIL 2017	14
2.1 QUANTITATIVE RESULTS PER OUTCOME	14
2.2 ASSESSMENT OF OUTCOME ACHIEVEMENT AND LIKELIHOOD OF ACHIEVING THE OUTCOMES IN THE CURRENT PHASE	16
2.3 INFORMATION ON DIRECT AND INDIRECT UNINTENDED EFFECTS OF PROGRAMME INTERVENTIONS	16
2.4 INFORMATION ON PROGRESS OF THE IMPLEMENTATION OF SCO TRANSVERSAL THEMES INTERVENTIONS	17
2.5 ILLUSTRATION OF THE PERSPECTIVES OF INVOLVED STAKEHOLDERS	19
CHAPTER 3: OUTPUTS AND PERFORMANCE PER REPORTING PERIOD 2017	19
3.1 SUMMARY OF OUTPUT DELIVERY UNDER THE THREE OUTCOMES	19
3.2 REFERENCE TO INTERVENTIONS/ACTIVITIES PROPOSED AND ACTUAL	24
3.3 IMPLEMENTATION CONSTRAINTS AND WAYS TO OVERCOME THEM	26
3.4 EVENTUAL CHANGES TO MAIN ASSUMPTIONS	26
CHAPTER 4 – FINANCES & OPERATIONS	27
4.1 PERCENTAGE OF BUDGET SPENT VS. PLANNED PER OUTCOME	27
4.2 BUDGET DEVIATIONS AND OUTLOOK FOR THE REST OF THE PHASE	27
4.3 APPRAISAL ON HOW EFFICIENTLY INPUTS WERE CONVERTED INTO OUTPUTS	27
4.4 HUMAN RESOURCES & TEAM MANAGEMENT	28
CHAPTER 5 – GOOD PRACTICE & LESSONS LEARNED	29
5.1 NETWORKING& INTERAGENCY COLLABORATION WITH KEY REGIONAL & NATIONAL PARTNERS, & STAKEHOLDERS	29
5.2 REVIEWS, SELF-EVALUATIONS, RESEARCH AND DISSEMINATION & INTERNATIONAL NETWORKING	29
CONCLUSION	30
ANNEX 1 MAIN QUALITATIVE FINDINGS PER REPORTING PERIOD	31
ANNEX 2 STAKEHOLDER PERSPECTIVES	ERROR! BOOKMARK NOT DEFINED.
ANNEX 3 SYSTEMIC CHANGE LOG	36
APPENDIX 4: LIST OF INTERVENTIONS UNDERTAKEN IN THE REPORTING PERIOD APRIL 1ST 2017- MARCH 31ST 2018	ERROR! BOOKMARK NOT DEFINED.

PROGRAMME DESCRIPTION

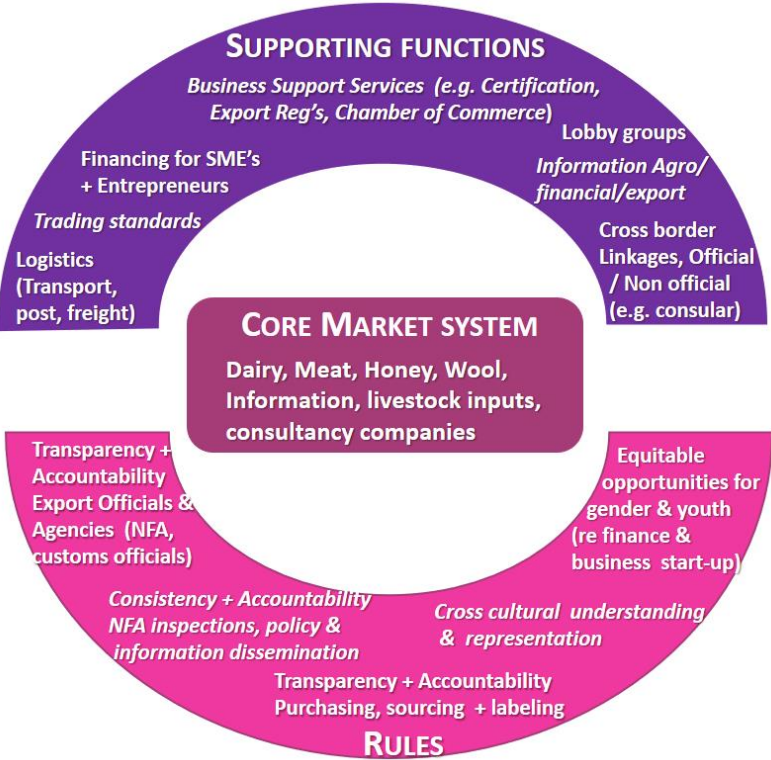
ALCP | Alliances
Caucasus Programme
REGIONAL MARKET ALLIANCES IN THE SOUTH CAUCASUS

The Alliances programme, a market system development programme working in the livestock market system in Georgia, is a Swiss Development Cooperation (SDC) project, implemented by Mercy Corps Georgia and run in accordance with the M4P (Making Markets Working for the Poor Approach) which began in 2008 in Samtskhe Javakheti (SJ), Georgia. Alliances Kvemo Kartli (KK) was opened in 2011 with a second phase awarded to SJ. In 2014, the second phase of an expanded Kvemo Kartli was merged with a new branch of the programme in Ajara and a two year ‘standby phase’ (monitoring and sustainability phase) in SJ to form the Alliances Lesser Caucasus Programme (ALCP). From 2014 under the ALCP, Alliances management, programming and operations were fully harmonized. The programme has achieved substantial scale and systemic change well beyond the initial designated programme areas and targets and devoted itself to learning, excellence and participation in a global community of practice in Market Systems Development (MSD) including being twice successfully audited by the DCED Standard for Results Measurement (Donor Committee for Enterprise Development). It has furthered learning and practice in Women’s Economic Empowerment and harnessed market systems programming to generate significant impact in transversal themes with a 54% average of female usage and access across all interventions. From October 2008 to March 2017, 403,101 income beneficiary HH’s, generated 34.7 million USD (79.79 million GEL) in aggregated net attributable direct and indirect income for farmers, businesses and employees. For more detail go to <http://www.alcp.ge/index.php?cat=2>



The programme has extensive networks and works in partnership with all levels of the private sector, civil society and government. The four year, 6.5 million CHF¹ *Alliances Caucasus Programme* (ALCP) April 2017-2021, utilizes the platform created by the ALCP to significantly contribute to the goal of the [South Caucasus Swiss Development Cooperation Strategy 2017-2020](#). This SDC strategy sees a strengthening of the *regional approach in the South Caucasus* through the promotion of areas of mutual and beneficial interest between Armenia, Azerbaijan and Georgia including cross-border initiatives in trade and the extension of services and inputs through the lens of agriculture based economic development which is considered to offer substantial opportunities for regional development and the rural populations of the three countries.

The ALCP programme facilitates interventions in the livestock and honey market systems to safeguard ongoing sustainable growth, and promote new growth that includes ensuring access for SME’s and livestock and honey producers to cross border and other export markets. It will also exploit available entry points for the transfer of inputs and services successfully developed in Georgia to Armenia and Azerbaijan to enhance cross border linkages. Entrepreneurialism and job creation especially for women, the access to finance and financial literacy that is required to make this happen for SME’s and start-ups, as well as increased income from sustainable supply opportunities and stable quality inputs increasing productivity are key indicators of impact. The programme is targeting 33,000 Livestock and Honey Producers in Georgia, Armenia and Azerbaijan generating tangible positive income changes to a value of 10 million direct and 1.5 million GEL indirect, due to improved services and markets and productivity increases of 10%. The target for net attributable income for employees, business and SME financing is 10 million GEL.



Representation of Regional Livestock Market System and Key Areas of Focus Diagram (Doughnut)

¹ 1.5 million CHF was added in January 2019 and targets increased.

STRATEGIC REVIEW AND OUTLOOK

MAIN RESULTS ACHIEVED

Table: 1 Quantitative Purpose Level Achievements and Progress Against Targets

Note: Targets are calculated only against impact generated by interventions under the current log frame. The blue figure denotes **additional** impact aggregated from interventions from the previous phase still subject to measurement until the end of this reporting period March 31st 2019².

Estimated ³ Impact for ALCP April 2017 to April 2019	
The major target beneficiaries of the programme	Total results (% Against Target)
# of LHP's generating tangible positive income changes due to improved services & markets (Women/Men) (33,000)	25,945 ⁴ (30% women, 70% men) (79%) 10,269
# of LHP's served through crowding in	12,656
# of full time job equivalents (Women/Men) (200)	185 ⁵ (60 Women / 125 Men) (93%)
# of entities crowding in (25)	21 ⁶ (84%)
# of entities expanding their businesses (40)	31 ⁷ (78%)
NAIC value in GEL generated for LHP's (10 million Gel) (1.5 million indirect)	6,476,465 Gel / 2,511,231 CHF (65%) 1,043,143 Gel/ 404,476 CHF (70%) 671,635 Gel, 260,425 CHF
NAIC value in GEL generated for programme clients (5 million Gel)	6,242,601 / 2,420,551 CHF (125%)
NAIC value in GEL generated by employees (3 million Gel)	2,266,772 Gel / 878,934.59 CHF (76%) (600,280 gel for Women / 1,666,493 gel for men)
Total NAIC generated by the programme (Farmers, clients, employees direct/indirect) (19.5 million GEL)	17,469,413 Gel / 6,748,012CHF (90%)

² Some of the impact from interventions funded in the previous phase, subject to ongoing measurement as outlined in the RM Manual, is aggregated only on the purpose level, because there are no matching indicators on outcome / output levels in the current logframe. **Measurement of these interventions are all due to end in March 2019** and are all based in Ajara and are: the Roki satellite vets on the high pastures intervention, three slaughterhouses and one beekeeping input shop.

³ Estimated impact is impact derived from data, which has not been subject to an impact assessment at farmers' level, but rather from monthly data sheets.

⁴ In total 72% of the scale and 91% of the income for farmers comes from interventions under the current log frame.

⁵ Veterinary sector (6), Nutrition (18), Machinery (5), Dairy (34), Meat (12), Wool (18), Honey (1), *NFA, Women's Rooms and FS&H* (91).

⁶ Entities copying the business model from: Agro Trading (2- 2017,2018), Roki Ltd (2,2017, 2018), Journalists Resource Center, Alali Ltd, ABBA (3,2- 2017, 1-2018), Marneuli Library, Women's Rooms (2, 2017, 2018), Darts Group, Georgian Wool Company (3, 2016-2018), Mar-Mot Ltd (2, 2018), Honey Sector Advisory Committee (2,2018), Black Sea Eco Academy (BSEA)

⁷ Agro Trading (2, 2017, 2018), GARB, Mar-Mot Ltd (3, 2- 2017, 1- 2018), Star Consulting (3, 2- 2017, 1- 2018), Intellect/BDS service in AJ, Dairy in KK Milken, Ori Gio Ltd (2, 1- 2017, 1- 2018), Dairy in AJ Natural Produktsia Ltd (2, 1- 2017, 1- 2019), Georgian Wool Company (2, 1 -2017, 1- 2018), WR – village, Roki (3- 2018), Impervet., Samkhretis Karibche, Dairy JTA, Dairy in KK Tsalka +, Darts Group/BDS service in AJ, Matchakhela Ltd, EcoFilms Ltd, Journalists Resource Center (2018), Tsintskaro (2018), Black Sea Eco Academy (2018)

NAIC value in GEL SME financing (2 million)	899,600 ⁸ Gel/ 348,817 CHF (45%)
% Social Return on Investment from Alliances Co-Investments	670 ⁹ (Targeted 40%)
% ROI of Alliances clients' investments	604 (Targeted 20%)
Productivity increase in milk, meat and honey yield of LHP's. (10%)	8,927 beneficiary household increased productivity by 10% ¹⁰

MAIN STEERING IMPLICATIONS FOR THE NEXT PERIOD OF INTERVENTIONS

1. *Implementation since Funding Submission:* The final revised budget, revised logframe, organogram and modified map from January 2019 to March 2021 incorporating a further 1.5 million CHF, were agreed in December 2018 and have been in place since January 1st 2019. Revised log frame targets saw a significant increase in scale (61 %), jobs (33%) and in total project monetary benefits generated by the programme (34%). The current report against targets indicates that increases were realistic and the programme can expect to meet those targets in the allotted project time frame see Table A below:

Table A: Progress Against Revised Targets

Indicators	Original	Revised form January 2019	Bi-annual September 30 th 2018	Annual March 31 st /19	% achieved from total target increase ¹¹
# of LHP's generating tangible positive income changes due to improved services & markets (Women/Men) (20,000)	20,000	33,000	21084	25,945	46%
# of full time job equivalents (Women/Men) (150)	150	200	176	185	70%
Total NAIC generated by the programme (Farmers, clients, employees direct/indirect)	14.5	19.5	13.2	17.5	59%

2. *Potential Programme Extension:* SDC has also communicated that the Austrian Development Agency (ADA) has expressed serious interest in contributing 1.3 million euro to the programme, which would entail an extension of the programme for a further year until March 31st 2022. ADA questions were received through SDC and responded to outside the reporting period, the programme is currently awaiting next steps.
3. *Team Morale, Programme Commitment and Contribution to National and Regional Programming:* The additional funding for the entirety of the programming period has energized the entire team and senior management have been able to elicit the high level of input from staff that the ALCP requires. This is particularly evident in national sectoral interventions in the dairy and honey sectors, which have required cohesion across

⁸ A cheese factory, *Tsintskaro+ Ltd* got 57,000 Gel low interest governmental loan, 256,000 Gel from ENPARD III and a 50,000 Gel loan from Crystal Bank as its match funding for producing bottled milk; *Milkeni* dairy 40,000 gel, *Ori Gio* slaughterhouse in Khulo got 174, 000 Gel from ENPARD II for entrail and fifth quarter processing, and a local wool processor *Matkhli Sakhli* in Akhaltsikhe got a 5000 Gel loan from Produce in Georgia and also 23,000 Gel loan, *Georgian Wool Company* got low interest government loan 144,600 gel. Cooperative *Tanadgoma* got 150,000 Gel for construction of a cheese factory

⁹ The calculations of SROI and ROI are made using the data of interventions funded by the program in the new phase (From April 2017). They include: Agro Trading, Mar-Mot, Alali Ltd-2015, Georgian Wool Company, Dairy enterprises from Ajara and KK, Impervet WG.

¹⁰ This figure is estimated % of increased productivity due to better livestock feeding practices.

¹¹ % increase from actual 37%, 18% and 86% respectively.

ALCP Georgia offices. The [Georgian Milk Mark](#) has been successfully [launched](#) and at the time of writing (May 8th, 2019) twenty-six companies have applied, thirteen have been audited and seven awarded the mark with their product in mainstream shops. The honey sector has seen huge gains, under the auspices of the new Georgian Beekeepers Union, which is leading efforts to remove pervasive constraints to growth such as the widespread use of prohibited antibiotics and performing the role of non-governmental national representative of the honey sector. The momentum of cross border interventions continues in machinery, feed and information and with the pilot Women's Room in Alaverdi, Armenia attracting increasing attention. Cross-border facilitation is set to step up in the next reporting period with close collaboration underway with SDA in Armenia¹². Entry into the machinery market in Azerbaijan was achieved just outside the reporting period, continued progress in agri information with Baku University and a potential new entry point¹³ for Women's access to public goods and funding appearing just outside the reporting period. (For more information see *3.4 Activities Proposed and Actual* and *2.2 Transversal Themes*).

4. *Field Presence and Kakhetian Expansion*: The additional funds ensured the continued field presence of the ALCP in Batumi, West Georgia and Akhaltsikhe, SJ and the opening of an additional office in Telavi, Kakheti. The addition of Kakheti was a strategically important one as the region is a key geographical driver in the agricultural sector. All offices are maximizing the geographical synergy of their locations to enhance interventions. Wool collection, honey outreach and ethnic Armenian dairy distributors in SJ, honey sector development and the WG meat sector from Ajara and the Marneuli office acting as the main office hub for all national programming and cross border interventions in inputs, information and transversal themes. Although early, it is already becoming apparent that the expansion into Kakheti will add considerable momentum, extra heft and credibility to national programming in Georgia. The new office in Telavi, Kakheti was fully operational by the end of March. The Kakhetian team is now ensuring the participation of Kakhetian dairy entities in the Georgian Milk Mark and narrowing down meat sector/processed sheep export and agri-market compliance entry points. Kakhetian honey sector associations are being facilitated to join national advocacy efforts. Locations for watering points on the Animal Movement Route are currently being surveyed, and an application drive for women to apply for small governmental grants through the Women's Rooms facilitated. (See *3.4 Activities Proposed and Actual*, *2.2 Transversal Themes* and *4.4 HR and Team Management* for more information).¹⁴
5. *SDC Georgia Livestock Impact Mapping (September 2018 to date)*: Based on the initiative of SDC and facilitated by the ALCP, the data of RED, MOLI and the ALCP has been amalgamated into GIS interactive maps created by GeoLand Ltd in [dairy](#), [meat](#), [wool](#), [veterinary](#), [machinery](#) and [honey](#). Users can dis-aggregate by village, regions, municipalities, village, programmes, enterprises, number of beneficiaries and countries where impact goes beyond Georgia. The maps and key (aggregated) ALCP indicators can be edited and updated against new Bi-Annual and Annual reports figures accordingly.
6. *Operating Environment*: In 2012, a law which required all people 'who produce and sell dairy products in a regular and organized manner' to register with the NFA and public registrar was put on hold. This moratorium is due to end in January 2020. Non-regular/unorganized primary production for the personal use of family farm entities are allowed. However currently the NFA is working to try and define what constitutes 'regular' and 'un-regular' production and sales. It remains to be seen how this will really impact all the informal producers, suppliers and distributors in the dairy sector but the whole programme strategy in the dairy value chain was based on mitigating this risk in 2008 and will continue to do so in the context of the burgeoning SME sector.

¹² A meeting was held in April, just outside the reporting period in Lake Sevan to discuss and push forward concrete points for cross border facilitation. Points under inputs, dairy and transversal themes were discussed for action and opposite numbers introduced and will be reported in the next period.

¹³ The Azeri NGO Social Progress has expressed interest in the WR's and local government intervention.

¹⁴ Under the mandate of the current logframe and joint Women's Room intervention initiated with MOLI, where MOLI funded the Women's Rooms in Kakheti and the ALCP undertook the capacity building mandate.

CHAPTER 1 – OPERATIONAL ENVIRONMENT

1.1 UPDATE OF THE STAKEHOLDER ANALYSIS

A broadening of the stakeholders in the honey and dairy sectors continues, as work in those sectors deepens in particular with dairies, who have applied to the Georgian Milk Mark¹⁵ and with Honey associations and related stakeholders. All other stakeholders remain as reported in the Biannual Report 2018. (New stakeholders in this reporting period in italics.)

Georgia: New stakeholders include *the Georgian Beekeeper's Union, Jara Beekeepers Association, Kakhetian Traditional Winemaking (KTW), Grapevine Marketing Agency Limited (GMA), Multitest Ltd, Georgian banks, and Caucascert, Caucasus Research Resource Centre (CRRC), Advisor of the Minister of Agriculture and Environment Protection, Ajara TV, Cheese distributor I.E Levan Abashidze, National Intellectual Property Centre of Georgia (Sakpatenti).* Government entities include: Head of Produce in Georgia (Export), Chairman of Agency of Cooperatives (Honey Supply), Head of the Laboratory of the Ministry of Agriculture of Georgia (honey export), Ministry of Foreign Affairs of Georgia, *Embassy of Georgia in Slovenia, Great Britain and Denmark, the Governor of Kakheti (Sheep sector, Bio Security Points, WEE).*

Armenia: In DRR related to Veterinary Surveillance Points the *State Service for Food Safety of the Ministry of Agriculture of Armenia.* In agri journalism and information, the relationship with the Media Initiatives Centre has deepened and the relationships were built with the National Agrarian University of Armenia, Yerevan State University, Bryusov Linguistic University, Armavir College and local ALT TV. *Governance & Gender:* Alaverdi Municipality, Lori province, local NGO Association of Lawyers Community, Yerevan State University Center for Gender and Leadership Studies.

Azerbaijan: *Odlar Iurdu University, Baku.*

Germany: Sheep Shearing Specialist Mrs. Stefanie Kauschus. *QSI, Eurofins and Intertek Laboratories.*

Ukraine: *QTL Laboratory*

Belarus: Wool exporter - Ural Company Ltd.

India: Wool intermediary/exporter: Trans Galactic Trading FZ Ltd, R.N Dalmia Agencies Ltd.

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

General: In March 2018, the Government of Georgia launched a new support programme the Co-financing of Agricultural Machinery Programme. A citizen of Georgia, an entrepreneur or a commercial legal entity (including agricultural cooperative) can apply for the purchase of agricultural equipment with government co-financing. The state programme provides 50 % of the cost of agricultural equipment to a value of no more than 150,000 GEL.

Village Support Programme: After a two-year gap, the Government of Georgia has resumed the Village Support Programme, in which villagers voting at village meetings vote for infrastructural projects to be funded from the local municipal budgets. New forms of citizen participation introduced in lieu of the Village Support Programme were not successful and the return of the village meetings can be seen as a positive move. These village meetings were and are pivotal in women's access to decision making¹⁶. Participation in this year's VSP was up to 36% in the regions in which Women's Rooms are present to support the process.

The Ministry of Environmental Protection and Agriculture has recently announced the launch of an Organic Production and Certification Programme in 2019. The aim of this project is to promote organic production and to

¹⁵ The mark can only be used by companies making dairy products from natural raw milk and which do not contain milk powder and/or any vegetable oils.

¹⁶ The village support programme was a major part of the rationale of the original ALCP gender overt intervention and saw women voting for kindergardens and water infrastructure both of which are pivotal to underpinning WEE.

support the certification process, which is the part of the Prime Minister's 'Green Economy Initiative' and will be implemented within the frame of the 'Unified Agro Project'. MEPA is currently working on the terms of the programme to be announced in May 2019.

From March 1st, 2019 a new five-year programme Safety and Quality Investment in Livestock (SQIL) to improve food safety and quality protocols in Dairy and Beef sectors was launched. The programme is funded by USDA in Georgia and implemented by Land O'Lakes International Development in partnership with the Georgian Farmers Association and experts of Michigan State University.

Dairy Sector: The main issue in the dairy sector is still the undifferentiated usage of powdered milk creating an unfair business environment for natural milk processing entities. The majority of consumers still have difficulty in identifying and buying products through ambiguous labeling. From March, 2019 the NFA adopted a new law on the labeling of food products, which requires clear listings of all ingredients used in a product. However, Businesses in Georgia were not ready to adopt the law and through the intercession of the Business Ombudsman the deadline was postponed for six-months. In 2012, a law which required all people 'who produce and sell dairy products in a regular and organized manner' to register with the NFA and public registrar was put on hold. This moratorium is due to end in January 2020. Non-regular/unorganized primary production for the personal use of family farm entities are allowed. However currently the NFA is working to try and define what constitutes 'regular' and 'un-regular' production and sales.

Honey: On November 8th 2018, the Government of Georgia adopted [Regulation #525](#), which forbids the registration and sale of vet drugs containing prohibited antibiotics; Chloramphenicol, Metronidazole, Dimetridazole, Ronidazole, Nitrofurantoin (including Furazolidone) which are widely used in beekeeping. The regulation entered into force in January, 2019 and was nationally covered by media.

Veterinary: The FAO/NAITS programme is piloting a new approach of delegating the function of Animal Identification & Registration from the NFA to private farms (i.e. those owning more than 25 head of cattle). Farms will get tags for free from the NFA, get access to the NFA database and technical assistance from NAITS to complete the process. The programme has also proposed a new model of contracting private vets to the NFA. To date private vets hired by the state were being paid fixed salaries for six-month periods, the new model proposes the NFA to apply a work performance¹⁷ based payment system hiring vets for a year at a time. The NFA will pilot this model in two municipalities, Akhmeta and Chiatura from September 2019.

The National Food Agency is implementing a Brucellosis vaccination campaign for free, as a result of which 50,000 head of sheep have been vaccinated to date a further 233,000 small ruminants should be vaccinated in 2019.

Changes in Local Self and central Government: The first Deputy Minister of MEPA and the Head of the Veterinary Department of the NFA left their positions and moved to international organizations. The Governor of Kvemo Kartli changed as a result of local self-government elections.

1.3 BILATERAL OR MULTILATERAL ISSUES OF NOTE FOR POLICY DIALOGUE

No change from Bi-Annual Report: Dialogue with the Banking Sector: the [Current Conditions and Constraints in Financing for Rural Women Entrepreneurs](#) report submitted with this Bi-Annual report analyses the financing patterns of one hundred and forty two women entrepreneurs, who attended the National Business Women's Forum in March in Batumi, one month and six months post fora. Including a comprehensive review of banks and products as well as applications to *Enterprise Georgia* funding; the real life constraints limiting access to financing are

¹⁷ E.g. the number of vaccinations and identified/tagged animals

identified for women applying for funds for business ideas, start-ups and business expansion. These constraints should inform dialogue with IFI's or government when discussing potential initiatives.

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 which would aid greatly in facilitating market access for livestock sector actors. Georgia is now on the [Third Country lists](#) for wool and honey. Access to the EU markets requires Georgia to be on the lists to allow enterprises to register in the TRACES system. Being on the third country list also instils confidence in other importer countries outside the EU as to the existence of basic in-country control systems. However much work remains to be done to systematize and operationalize activities at the producer level arising from NFA commitment to requirements such as the Residue Monitoring Plan in the honey sector, operationalizing the laboratory testing capacities for honey and maintaining a standard of competent management and upkeep of the Bio security points.

Disease notification and control remains a key topic in particular in relation to public notification of zoonoses, safe and compliant disposal of carcasses is a key issue. There is an ongoing need for comprehensive government support to the rehabilitation of the veterinary sector with there still being a serious lack of young large animal veterinarians. Climate sensitive farming should remain a topic to be welcomed and supported as simple measures of water conservation, conservation agriculture e.g. 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. Emphasis needs to remain on how small holder farmers can learn to co-exist, manage and benefit from the environment. The direction agriculture in Georgia will take in the future and the role of the small-scale livestock producer within it in the context of environmental, economic and social sustainability continues to be in need of ongoing debate. Perhaps the newly amalgamated Ministry of Environmental Protection and Agriculture provides an opportunity to place these on the agenda. The lack of accessibility of donor or other funds disbursed through banks for SME's in the livestock and honey value chains is an ongoing issue.

CHAPTER 2 – OUTCOMES ACHIEVED SINCE APRIL 2017

2.1 QUANTITATIVE RESULTS PER OUTCOME

Table 2: Achievements of Outcome¹⁸ Indicators Measured Against Target Values

Note all Outcome impact is only for interventions funded under the current Log Frame

OUTCOME 1: Livestock and Honey Producers in Georgia strengthen their position in the market system and increase their income thanks to reliable market access to diversified opportunities from sustainable SME's in the meat, dairy, honey and wool sectors.	
Indicators	Estimated Alliances Programme Results (2017-to date)
# of LHP's generating tangible positive income changes due to sustainable diversified market access and better terms of trade (Women/men) (6500)	2,757 ¹⁹ (42%) (51% women, 49% men)
# of full time job equivalents (Women/Men) (60)	44 ²⁰ (28 Women / 16 Men) (73%)
# of HoReCa/retailer entities integrating food safety hygiene compliance and good management practices into business management (350)	470 ²¹ (134%)
# of entities crowding in (10)	8 ²² (80%)
# of livestock and honey sector sustainability advocacy initiatives (16)	11 ²³ (69%)
# of SME's obtaining external funds / finances (20/2 million)	6 / 899,600 Gel (30% /45%)
NAIC Value in GEL generated for LHP's with sustainable diversified market access and better terms of trade for LHP's (Women/Men) (5 million)	2,055,909 Gel (41%) (1,048,797 for women and 1,007,112 for men)
NAIC value in GEL generated for programme clients (Women/men) (1 million Gel)	1,537,605 (154%)

¹⁸ 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.

¹⁹ These figures come from dairy interventions, Natural Productsia, Milkeni, GTA, Cheese Line Tsalka +, Tsinskaro + and Impervet's shop in Zugdidi.

²⁰ Dairy enterprises, Impervet Zugdidi and Women's Rooms 44 new FTE Jobs

²¹ *Shervasi* provided disinfection service to 290 HoReCa entities and *Start Consulting* trained 180 HoReCa representatives.

²² Women's Rooms (2), Darts group, Honey Sector Advisory Committee (2), ABBA (3)

²³ Meat Advisory Committee Meeting, Honey advisory committee, Meeting with honey stakeholders to create Honey Umbrella Association, first meeting with dairy entities to present a natural raw milk QAM, Cheese factory, Natural Produktsia. Ltd established dairy association of milk suppliers; ABBA created a database of honey producers in Georgia; The AMR Advisory Committee on Access to Water for Seasonal Migrating Animals; Creation of the Georgian Beekeepers Union. Two additional meetings with dairies; one from programme region and one outside programme region. GMM official presentation Hualing Hotel January 22nd 2019.

OUTCOME 2: Livestock and honey producers increase profitability thanks to stronger regional linkages and cross-border availability of inputs and business

Indicators	Estimated Alliances Programme Results (2017-to date)
# & % of LHP's generating tangible positive income changes due to enhanced regional linkages and services (women/men) (17,500)	14,141 ²⁴ (81%) (32% women/ 68% men)
# of full time job equivalents (Women/Men) (70)	23 ²⁵ (1 Woman / 22 Men) (33%)
# of entities copying &/or crowding in (10)	5 ²⁶ (50%)
# of issue specific cross border initiatives (women/men) (5)	6 ²⁷ (120%)
# of service providers &/or input suppliers with improved business practices/acumen & outreach to cross border LHP markets (5)	2 ²⁸ (40%)
NAIC value in GEL of cross border LHP's benefitting from supporting functions and compliant processing enterprises (Women/Men) (2.5 million Gel)	1,657,405 Gel (524,985 Gel Women/ 1,132,420 Gel Men) (Corresponds 66% of targeted 2.5 million)
NAIC value in GEL generated for programme clients (2 million)	1,051,366 ²⁹ (53%)

OUTCOME 3: Growing cross-border trade and export opportunities both within the South Caucasus and the larger region offers more diversified market access and terms of trade to livestock and honey producers

Indicators	Estimated Alliances Programme Results (2017-to date)
# of LHP's generating tangible positive income changes due to enhanced market access (women/men) (9,000)	9,047 ³⁰ (101%) (22% women/78% men)
# of service providers &/or input suppliers with improved business practices / acumen & outreach to export markets (10)	3 ³¹ (30%)
# of entities crowding in (5)	4 ³² (80%)
# of full time job equivalents (Women/Men) (70)	30 ³³ (3 Women / 27 Men) (43%)

²⁴ These figures come from *Mar-Mot Ltd* and *Agro Trading*. Out of it, 5,297 farmers are from Armenia.

²⁵ 5 FTE jobs created by *Mar-Mot Ltd* and 18 by *Agro Trading*

²⁶ *Agro Trading* (2), *Journalists Resource Center* (1), *Mar-Mot Ltd* (2)

²⁷ A meeting with Georgian and Armenian governmental officials to establish Women's Room model in Lori province in Armenia; Armenian official delegation's visit to Georgia to attend National Women's Business Forum and visit Women's Rooms in Adjara; A Memorandum and a grant agreement was signed with Alaverdi Municipality in Armenia to copy the Women's Room's model and establish a municipal Women's Room service; The first municipal Women's Rooms Annual General Meeting in Tskaltubo; Hiring an Armenian Gender and Governance Expert to make a Gender Guidelines for Local Self- Government in Armenia; a meeting with the State Service for Food Safety of Armenia to copy the VSP model

²⁸ *Mar-Mot Ltd*, *AgroTrading*.

²⁹ This number includes *Mar-Mot Ltd Ltd* profit from sales in Armenia and Georgia and profit for machinery service providers

³⁰ Slaughterhouse *Alali Ltd Ltd*, Wool collector the *Georgian Wool Company Ltd* and the *KTW*.

³¹ One slaughterhouse *Alali Ltd* started to export processed meat, *Georgian Wool Co* improved / safeguarded export of wool. *Natural Produktsia Ltd*

³² *Alali Ltd* (1), *Georgian Wool Company* (3)

³³ The *Georgian Wool Company* created 18 and *Alali Ltd* created 12 new FTE jobs.

NAIC value in GEL of LHP's benefitting from supplying cross border trade and export enterprises (Women/Men) (2.5 million)	2,763,151 GEL (<i>Corresponds 111% of targeted 2.5 million</i>) 597,820 Gel Women 2,165,331 Gel Men
NAIC value in GEL generated for programme clients (2 million)	3,216,291 Gel (161%)
Value in GEL of cross border trade products (5 million)	1,877,041GEL /CHF 727,817 (37%)
Value in GEL of exported products (25 million)	14,899,680 GEL ³⁴ (60%)

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

Two years into the four year phase indications are highly positive of being able to achieve the outcomes in the current phase with the percentage impact against the new targets in place from January 2019 progressing favourably. Scale in Outcome 1 is set to be boosted by the Georgian Milk Mark and Agri market distribution interventions coming fully online and being able to measure benefit at farmer supplier level.

2.3 INFORMATION ON UNDEFINED³⁵ AND UNINTENDED EFFECTS OF PROGRAMME INTERVENTIONS

Note: Behaviour change at farmer, business and sectoral level is detailed in Annex 1 and Systemic Change in Annex 2.

Signs of growth in export markets: Roki registered their exclusive feed additive *Rumifos* in Kazakhstan. Registration will allow access to the market of other countries in the *Eurasian Economic Union*. *Natural Produktsia Ltd* exported four tonnes of cheese for testing to Israel at the beginning of February 2019, through the same distribution company *Tamani-1 Corp*, which is distributing their cheese to New York and Los Angeles, USA.

Increased Interest in Georgian honey abroad: Georgian honey including Jara was promoted at an international exhibition in China in 2018; it will be promoted at the event *World of Bees & Honey* in London in May 2019; an exhibition of *Georgian Products* in Denmark in July 2019; and the *International Beekeeping Congress & Exhibition Apimondia* in September 2019.

Veterinary Surveillance Points in OIE publication: An article about [Veterinary Surveillance Points](#) (VSP) was published in the quarterly bulletin of the *World Organization for Animal Health OIE* (February 2019). The article covers the tradition of livestock seasonal movement in Georgia, the necessity of establishing VSPs and the importance of the points for animal health control throughout the country. The author of the publication is the now former *Head of the Veterinary Department of the National Food Agency* and *OIE Delegate of Georgia*.

Jara Movie Success on the Film Award Circuit: In addition to considerable screening and award success in 2018 (see Bi-annual report) Jara was selected for the Panorama Program of the Bozcaada International Festival of Ecological Documentary 10-14 October, 2018 Turkey. The film was also screened at the Tbilisi International Film Festival in December 2018. *Eco Films* is now negotiating with the *JRC* to use the existing linkages of the *JRC* with national and local TVs in Georgia, Armenia and Ukraine to distribute the movie. The [Jara](#) DVD is now available on [Amazon](#).

³⁴ 4,826,250 Gel value of live weight of bulls, 8,330,423 Gel value of processed sheep exported and 1,072,268 Gel value of wool exported, and 646,335 Gel dairy US and Israel.

³⁵ Undefined: reflects the fact that the programme is able to capture few changes observable in the system that are genuinely 'unintended' i.e. that there was no plausible expectation or explanation of this type of change occurring. This title now describes what the programme defines in the new RM Manual as 'undefined' effects: i.e. changes plausibly attributable to the programme, which although not explicitly detailed in results chains and monitoring plans could nevertheless be logically expected to happen within the logical development of interventions grounded in thorough market research³⁵.

MEPA commitment to Georgian Honey: The *Georgian Beekeepers Union* a member of the committee has recently successfully advocated for Georgian produced honey with the *MEPA* to source Georgian honey when announcing the state tenders, which amounts to a minimum of 70 tonnes of honey annually.

*Copying & crowding in, Adaptation and Expansion in the Government, INGO and NGO sector*³⁶: The *Georgian Chamber of Commerce and Industry (GCCCI)* together with the *Ajara Chamber of Commerce and Industry (ACCI)* organized the *National Women's Business Forum* on 8th of March (see below) and fully copied the model of the forum from the previous year, 250 women entrepreneurs from all regions of Georgia attended the forum, financed by the *Ministry of Economy and Finance of Ajara*, *Caucasus Environmental NGO Network (CENN)*, the *Munich/Upper Bavaria Chamber of Industry and Commerce (IHK)* and *UN Women*. *Tsintskaro +* was awarded 256,000 Gel from *ENPARD III* to buy equipment for producing bottled pasteurized milk. *Black Sea Eco-Academy* was hired by *UNDP* for the assessment of *Climate Change Adaptation & Integrated Risk Management* practices in Ajara. *Darts Group* was selected to develop business plans for a *Young Entrepreneur* programme implemented by the *Agricultural Projects Management Agency* financed by *The Danish International Development Agency (DANIDA)*. The *World Wildlife Fund* hired *Eco Films* to make photo series of farmers in *Goderdzi Pass* and *GIZ* hired them to shoot a documentary about the interconnection between wild nature and urban life.

2.4 INFORMATION ON PROGRESS OF THE IMPLEMENTATION OF SCO TRANSVERSAL THEMES INTERVENTIONS

In a market systems development programme transversal themes mainly relate to the Rules section of the doughnut (See P7 *ALCP Market System diagram*). In the ALCP they include facilitation with Government stakeholders and other civil society and private sector actors at National, Regional and Local levels in relation to key governance issues underpinning the livestock sector. These include food safety and hygiene regulations, gender related to equitable governance and access to resources and animal disease control³⁷.

National Animal Health Programme Steering Group: In 2018 the ALCP participated as an observer in three quarterly meetings of the Steering Group on National Animal Health Programme (NAHP) at the MEPA. In January, 2019 the programme changed a decision to apply for full membership to the SG as SDC is a member of this group. The programme delivered to the relevant SDC representative, information about ALCP's work related to animal health and welfare to introduce at the NAHP meeting on February 28, 2019. The ALCP will continue providing the updates to enable appropriate representation at the NAHP steering group meetings.

*Veterinary Surveillance Points (VSP)*³⁸: In the 2018 autumn movement, 366,534 head of livestock were dipped/showered in all five VSPs. A total a 1.7 million head were dipped/showered between 2016 and 2018. In December 2018 the NFA finished construction of a 6th VSP in Bolnisi which will be open for the spring movement 2019. Following the request of shepherds, the MEPA/NFA decided to construct a 7th VSP in Mtskheta-Mtianeti region (this request was voiced at the ALCP 9th AC meeting). From September 2018, the ALCP has conducted three meetings with MEPA to agree on the development of water points on the AMR. In January 2019 the ALCP with the Shepherds Association identified fourteen locations where accessibility of water is essential during livestock transhumance. In February 2019 the NFA applied to the programme to finance an architectural plan of the 7th VSP. In March the ALCP held an 11th Advisory Committee meeting where all stakeholders of the sector were invited to discuss the necessity of water points. The Minister of MEPA attended the meeting and he fully supported the ALCP idea. Preparation of an MOU and a grant agreement with MEPA/NFA is ongoing.

³⁶ All main subjects mentioned in this section were formerly facilitated by the ALCP.

³⁷ A main mechanism of the governance interventions is the Advisory Committee, where diverse stakeholders, often with intractable viewpoints are brought together in working meetings to overcome key constraints in the sector often insurmountable without external impartial facilitation based on existing relationships and market intelligence. They involve meticulous planning and preparation over months.

³⁸ Veterinary Surveillance Point (VSP) is a new name of the Bio Security Point of the Animal Movement Route facilitated by the ALCP

Copying the VSP Model to Armenia: In February 2019, the ALCP met with the State Service for Food Safety (SSFS) of Armenia in Yerevan. The Armenian side has expressed interest to cooperate with the ALCP to copy the VSP model. In May 2019, the Armenian delegation is going to visit VSPs in Georgia facilitated by the ALCP.

UN Women: Handover of National Level Women's Room Development: In January 2019 the programme hosted the SDC funded UN Women project in Marneuli office to discuss the future cooperation and coordination between the programmes. They visited Marneuli and Bolnisi Women's Rooms to see operational WR's in action. In April 2019 the project issued a request for proposals for the Standardizing and Scaling up of Women's Rooms in the Municipalities of Georgia. The ALCP will follow up and help the project fully systematize and integrate existing Gender Equality mechanisms at National, Regional and local government levels.

Women's Rooms in Kakheti: Nine Women's Rooms are now open in eight municipalities of Kakheti. Each room has on average 70 visitors per month. The rooms are used for different types of meetings, events and trainings focusing on local women needs and promoting successful local women. Mayors and NGOs are using these spaces to meet with people. According to a tri lateral MOU signed in 2017, the ALCP has responsibility for capacity building the WR managers and the programme is currently contracting an organisation to provide business plan writing and fundraising training for WR managers in May-June 2019, to further facilitate the access of women entrepreneurs to funds. WR Managers will facilitate applications of women for Enterprise Georgia grants.

Women's Access to Decision Making, Public Goods and Financing: In 2019, the Government restored the Village Support Programme and in February-March 2019 all 28 Women's Rooms were actively involved in organizing Village Meetings, where villagers decide which infrastructure projects will be done in their communities³⁹. Women's participation was at 36% (Kakheti 41%, Kvemo Kartli 32%, Samtskhe-Javakheti 39% & Ajara 34%). 173 women's instigated community initiatives (water projects, kindergartens, village ambulances, children's playgrounds, roads, public toilets) will be funded by the municipal budgets this year.

National Women's Business Forum (NWBF): On March 8th, 2019 the 2nd NBFW was held in Batumi organized by the Georgian Chamber of Commerce and Industry (GCCCI), Ajara Chamber of Commerce and Industry (ACCI) and Ajara Business Women's Association (ABWA) in coordination with municipal women's rooms, for the first time without significant facilitation of the ALCP (beyond that detailed below). The forum was initiated by the ALCP in 2017 as the Ajara Business Women's Forum and it became the National Forum in 2018. This year the ALCP pursued its exit strategy with light facilitation, low visibility and zero co-financing to bolster the sustainability of this intervention. The key constraints for female led small and medium businesses in accessing financing, outlined in the survey report *Current Conditions and Constraints to Financing for Rural Women Entrepreneurs*, were fed into facilitation with the NWBF 2019 organizers⁴⁰. A one-page summary was delivered to all 250 participants. The ACCI Chairman in his opening speech introduced the survey findings to the audience for further discussion.

Armenia Women's Room: During the reporting period the programme has continued facilitation of Alaverdi municipality, Armenia and local NGO the Association of Community Lawyers to establish the pilot Women's Room in Armenia. The MOU and Grant Agreement were signed in September 2018. The municipality hired a new staff member to manage the room through a competition in February 2019. The renovation was finished in March and by the end of April the room will be fully equipped. Formulation of Gender Guidelines for local government officials based on the Georgian model but adapted to the legislation of Armenia is ongoing. The guidelines will be available for review by the end of April 2019.

Goderdzi Alpine Garden Sustainability: The GAG has won a 38,000 GEL grant (March 2019) from CARITAS ENPARD II Rural Development project for the installation of solar panels this summer.

³⁹ The Village Support Programmes were discontinued in 2017 but new forms of citizens participation have not been successful and therefore the VSP's have been reinstated.

⁴⁰ 8th of March 2019 the 2nd NBFW was held in Batumi organized by the Georgian Chamber of Commerce and Industry (GCCCI), Ajara Chamber of Commerce and Industry (ACCI) and Ajara Business Women's Association (ABWA) in coordination with municipal women's rooms.

2.5 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 can be found in *Annex 3*.

CHAPTER 3: OUTPUTS AND PERFORMANCE PER REPORTING PERIOD 2017

3.1 SUMMARY OF OUTPUT DELIVERY UNDER THE THREE OUTCOMES

Table 4 below provides a breakdown of impact per output. Interventions/activities are now being undertaken in 100% of applicable⁴¹ outputs and indicators in the LogFrame (as opposed to 94% in the *Annual Report*⁴²). Please see Section 3.2 and 2.4 for descriptions of intervention activity in all sectors.

Table 4: Summary of Outputs Against Logframe Indicators

Output 1.1: Increased accountability and transparency in sourcing, purchasing and sales practices by retailers. (supermarkets, mini markets, agro markets, wholesalers)	
Number of retailers making changes to inspection procedures, sourcing, purchasing and marketing/sales practice	6 ⁴³
Number of suppliers with more positive experience of supply/sales	7 ⁴⁴
Output 1.2: Increased self-representation, empowerment and advocacy by livestock & honey system processors & manufacturers.	
Indicators	Estimated Programme Results (2017-to date)
Number of advocacy initiatives/groups	9 ⁴⁵
Number of desired objectives reached by advocacy initiatives/groups	3 ⁴⁶
Output 1.3: Increased consumer awareness of dairy, meat, and honey food safety and hygiene related issues and advocacy	
Number of advocacy initiatives from government, supermarkets and media towards consumer groups	4 ⁴⁷
Number of advocacy initiatives from consumer groups towards government, supermarkets and media	0 ⁴⁸

⁴¹ As reported in the Steering Implications of the Bi-Annual Report Outputs one indicator under 3.3 and one under 3.4 are not applicable due to a change in programming please see number 3 P10 for details.

⁴² Impact has accrued in Output 1.1 in this reporting period due to the Georgian Milk Mark intervention.

⁴³ Spar, Nikora, Madagoni, Fresco, Zgapari selling cheese with GMM mark, I.E Levan Abashidze (agri market)

⁴⁴ Milkeni, Tsintskaro, Khiza Ltd, Badri Gogoladze, Gocha Gagashvili, Tsolak Grigorian, Karen Simonian supplying retailers with cheese with GMM mark

⁴⁵ Meat Advisory Committee Meeting, Honey advisory committee, Meeting with honey stakeholders to create Honey Umbrella Association, Meeting with Dairy entities to present natural raw milk QAM, Cheese factory Naturaluri Produktsia. Ltd established dairy association of milk suppliers; ABBA created a database of honey producers in Georgia; Creation of the Georgian Beekeepers Union; A meeting with the State Service for Food Safety of Armenia to copy the VSP model; The AMR Advisory Committee on Access to Water for Seasonal Migrating Animals

⁴⁶ After the Meat Advisory Committee Meeting NFA intensified monitoring of backyard slaughtering and provided information to meat sector representatives in Kvemo Kartli; The MEPA used the ALCP advisory committee model and created the Honey Committee; The GBU met with the minister of MEPA, they agreed on further cooperation on honey sector related issues

⁴⁷ 2 Consumer interest supplements were launched in TV programmes Hashtag and MeVarFermeri at Adjara TV; Reports related to Do's & Don'ts Antibiotic Use (20), Reports related to the Georgian Milk Mark (40)

⁴⁸ This is anticipated to gain traction in later reporting periods connected to the GMM and Hashtag consumer programme.

Output 1.4: Facilitated leveraging of access to funding and improved business management for SME's	
Indicators	Estimated Programme Results (2017-to date)
Number of SME's leveraging funding from external sources to the programme e.g. IFI's and government schemes	6 ⁴⁹
Value of funding leveraged from external sources	899,600 Gel
Number of SME's where funding has allowed development of business vision.	5 ⁵⁰
Output 1.5: Increased value added production and product diversification for SME's.	
Indicators	Estimated Programme Results (2017-to date)
# of SMEs with increased capacity/utilization of meat and milk, honey and wool	6 ⁵¹
# of LHPs supplying supported entities (Women/Men)	1,794 (74% Women)
Number of value-chain actors in dairy, meat, honey and wool sectors gaining access to diversified markets	9 ⁵²
Output 1.6: Increased equitable (gender, ethnicity and youth) access to and diversification of rural/livestock market system related economic/entrepreneurial opportunities.	
Number of women/youth rural businesses started	60 ⁵³
Number of initiatives for women/youth rural business	617 ⁵⁴ (plus 319 men)
Value of financing for women/youth entrepreneurs from external agencies (gel)	1,384,640
Number of jobs in diversified women owned enterprises	49 ⁵⁵

⁴⁹ Milkeni, Tsinskaro+, Matklis Sakhli, GWC, Tanadgoma Ori Gio

⁵⁰ Milkeni, Tsinskaro+, Matklis Sakhli, GWC, Tanadgoma.

⁵¹ 5 Cheese factories Tsalka +, JTA, Tsinskaro+, Milkeni, Natural Produktsia, and the Georgian Wool Company

⁵² 5 Cheese factories, one local wool processor in Akhaltsikhe, Georgian Wool Company, Alali Ltd, and Honey KTW diversified their production

⁵³ 3 Women were funded following business forum by EBRD (Flower shop, poultry, green-housing). 43 rural women were funded by the *Enterprise in Georgia* through the *Women's Rooms* with total value 221,600 GEL. *Women's Rooms* helped 7 men to obtain the fund (46,100 GEL). *Women's Room* also helped one woman to obtain grant (10,600 GEL) from Innovation and Reforms Center and employed two women (IRC); 7 women (GEL 442,000) SME taking Bank Business loans for expanding business; 1 (GEL 160,000) women funded by IFAD for business expansion; These figures include the number of SMEs who received funds for business start-ups and for expanding their businesses; 5 women were funded by Donor NGOs in Ajara since September 2018

⁵⁴ Through *Women's Rooms*: 398 women and 104 men applied for the state project, *Enterprise in Georgia*, 10 Women got bank loans / grants. 200 Women applied for USAID grants, 8 EMPARDII, 1 IFAD;

⁵⁵ 44 micro businesses start-ups, financed by *Enterprise in Georgia* have on average one employee, this figure will be updated according to the planned research of the mentioned businesses and adjusted figures will be reported in the next bi- annual report.

Output 1.7: Improved consistency, resilience and reduced risk in livestock market system.	
Number of Veterinary surveillance initiatives	8 ⁵⁶
DRR Coordination initiatives	5 ⁵⁷
% of households registered their cattle in the NFA	55% ⁵⁸
Output 2.1: Stimulation of cross border linkages (e.g. gender, local government, national government agencies e.g. NFA equivalent, border trade relations, society, media, academia)	
# of consultation fora between peer to peer actors to address livestock related cross border initiatives	4 ⁵⁹
% women representatives involved in consultation fora	50%
# of study tours / regional meetings facilitated between cross border stakeholders	6 ⁶⁰
Output 2.2: Facilitated outreach of inputs and input related services in the meat, honey, dairy and wool sectors in Armenia, Azerbaijan and Georgia.	
# of entities outreached sales in cross border regions	2 ⁶¹
Number of customers accessing inputs	14,141 ⁶²
Value of sales of inputs / Value of sales to women/Value of sales to LHP (Gel)	302,582 Gel
Increased trust towards exported products (from Georgia, Azerbaijan, Armenia)	347 ⁶³
Output 2.3: Facilitated outreach of business support services in the meat, honey, dairy and wool sectors in Armenia, Azerbaijan and Georgia.	

⁵⁶ 3 Veterinary Surveillance Points (VSPs) opened, and construction of one new (6th) VSP in Bolnisi has finished; one advisory committee meeting was held to ensure sustainability of the VSPs and one regional meeting with NFA & Kvemo Kartli Governor and local municipalities to discuss construction of the 6th VSPs in Bolnisi and local governments' involvement in the VSPs management; One more Veterinary Surveillance Point (VSP) will be constructed by the MEPA in Mtskheta- Mtianeti region; The ALCP will facilitate the MEPA/ NFA/ Shepherds Association to develop water points on the AMR;

⁵⁷ One meeting with regional and municipal governmental officials to ensure sustainability of DRR working groups and facilitation with NFA & FAO/NAITS to develop a comprehensive public information provision campaign on animal identification & registration; Meeting with the Deputy Minister of MEPA to assign a focal point and create a working group on animal movement route issues; Participating/ observing National Animal Health Programme Steering Group at the MEPA; Ongoing Coordination with the SDC funded UNDP project to involve the Ajara municipal DRR WGs

⁵⁸ In Georgia 203,125 HH (55% out of 369,392 Rural HH who own cattle) have registered their cattle into the NFA database; Increase of registered cattle since October 2018 to April 2019 is 10%, in total 2,089,499 cattle registered so far; In previous Bi –Annual report the figure 85% was reported, which stands for number of households (313, 163 HH) who registered Livestock (cattle, sheep, pigs);

⁵⁹ Making linkages between Lori municipality in Armenia and Dmanisi Municipalities in Georgia; ALCP team Meeting with Strategic Development Agency (SDA) in Armenia; SDA client cheese producer who imports Lori cheese in Georgia met ALCP members in Georgia and SDA (Armenia) met the Georgian Wool Company and Mar-Mot Ltd to discuss potential business cross border opportunities

⁶⁰ 13 Armenian journalists and University representatives attended a study tour organized by JRC Agro Journalists Resource Center in Georgia on 25-29 April 2018; In September 2018 Caucasus International University Tbilisi and Head of the JRC visited Odjar Iurdu University in Baku to introduce Agri Journalism Module; In October 2018 the JRC met Media Initiative Center in Armenia to discuss the Agri Journalism Study module and its introduction to universities in Armenia; In January 2019 the JRC representatives met the Media Initiative Center and a local ALT TV to launch regular agri reports; JRC visited Armenia to produce a Film about Agriculture in February 2018; Meeting with Alt TV in Armenia on 22 March 2019;

⁶¹ Machinery input supplier *Mar-Mot Ltd Ltd* and nutrition input supplier *Agro Trading*.

⁶² 347 machinery service providers served 5,297 farmers in Armenia.

⁶³ Machinery service providers in Armenia buy equipment from Mar-Mot Ltd partners in Armenia whose prices are at least 10% cheaper than in other shops in Armenia. Over the last year spare parts have been available in rural machinery shops and they are buying and repairing their equipment on time. These machinery service providers are positive about the quality of machinery equipment and choice they have related to new modern equipment.

Number of value-chain actors in dairy/ meat/honey and wool sector receiving trainings on food-safety & hygiene/business management	29 ⁶⁴
Number of milk/meat/honey & wool supplier LHP's receiving trainings / information on quality, food-safety, hygiene & business management standards	78,109 ⁶⁵
Number of HoReCa sector actors receiving trainings on food safety and hygiene	470 ⁶⁶
Number of value-chain actors gaining business management certifications e.g. GMP HACCP (e.g. Global Gap, SALSA)	55 ⁶⁷
Number of value chain actors with business/marketing plans (including for rural tourism)	17 ⁶⁸
Number of value-chain actors gaining BEAT assessment	2 ⁶⁹
Output 2.4: Facilitated outreach of agri-information and agri-information initiatives to Armenia, Azerbaijan and Georgia.	
Number of information consumers of products that have agricultural content/Women readership/ LHP's readership	49,118 ⁷⁰
Number of information channels with agricultural content / of newspapers/of TV programmes/ of internet sites	13 ⁷¹
Number of agro reports/programmes on cross border trade /export	10 ⁷²
Number of information channels with coverage in cross border regions	3 ⁷³
# of universities integrating agro journalist study model	20 ⁷⁴
Number of degrees gained with agri journalism content	369 ⁷⁵

⁶⁴ 29 meat, dairy, wool, and livestock feed producers were trained by *Star Consulting*. Also, 127+18 businesses were trained by *Star Consulting* in other sectors (bakery, vegetable, alcohol & mineral drink, nuts production, rabbits, kindergartens).

⁶⁵ In this phase web based information channel *Business.org.ge* started working. It includes information related to BDS. Number of unique web-site visitors from Georgia 76,688 and 56,080 from other countries. Also, *Star Consulting* has 1,421 regular visitors.

⁶⁶ *Shervasi* provided disinfection service to 290 HoReCa entities *Star Consulting* trained 180 HoReCa sector representatives (32 in Tbilisi, 148 in Regions: Batumi, Akhaltsikhe, Rustavi and Kaspi, Guria, Kakheti).

⁶⁷ *Star Consulting*: 13 Slaughterhouses, 19 Cheese factory, one animal feed producer, 22 other non-value-chain enterprises

⁶⁸ Business plans for 2 ALCP co-financed wool companies & JRC, APMA 5, private orders 9

⁶⁹ *Gergili Ltd* gave BEAT assessment to local wool processor in Akhmeta region and the Georgian Wool Company

⁷⁰ Radio listeners. 4 radio stations and one *Roki's Agri Portal (Agroface.ge)* with 11,936 Unique visitors

⁷¹ JRC produce agricultural programme for 11 local radio stations in Georgia, Hereti, Rioni, Tbilisi and Argo Apkhazeti, Vrastan FM, AG FM, Samkhretis Karibche, Odishi, Harmonia, Mtis Temi's Radio radio stations and one TV station TOK TV, and *Roki's Agri Portal*.

⁷² 6 reports/ programs prepared and aired by Armenian journalists after the agri training; ALT TV has produced 4 agri (reports twice a month) since February 2019

⁷³ Local TV's in Armenia aired programs with Agro content prepared with help of JRC: Jam news, ALT TV, Agropress.am

⁷⁴ **Georgia 15** Gori State University, Akhaltsikhe State University, Samtskhe- Javakheti State University, Batumi Shota Rustaveli State University, Kutaisi State University, Telavi Javakhishvili State University, Tbilisi Caucasus University, *Georgian European Higher Education University, National University of Georgia (SEU), Tbilisi State University, Tbilisi Georgian Technical University, Alma Mater Grigol Robakidze University, Tbilisi Caucasus International University (CIU), David Aghmashenebeli University of Georgia; Armenia 4: Yerevan State University, Bryusov Linguistic University, Armavir College, National Agrarian University of Armenia; Azerbaijan 1: Odlar Iurdu University Baku (Azerbaijan),*

⁷⁵ 53 Students are currently attending the agri journalism course at the universities

Output 2.5: Facilitated outreach of equitable public goods to Armenia, Azerbaijan and other areas of Georgia	
Number of gender related cross border initiatives	5 ⁷⁶
Number of women using women's room services Number & % of women participants in community meetings	4,612; 34,974 (37%) ⁷⁷
Number of women instigated community/livelihood related initiatives	199 ⁷⁸
Value of women instigated community/livelihood related initiatives	628,000 ⁷⁹
Output 3.2: Facilitated access to export markets for dairy, meat, honey and wool entities in Georgia, Armenia and Azerbaijan.	
# of processors of meat and milk, wool and honey starting to export	2 ⁸⁰
# & % of LHP producers supplying supported entities (Women/Men)	9,047
Value of exported products	14,243,346
Output 3.3: Facilitated improvements to efficiency of outreach of key export supporting functions (freight, shipping, documentation, distribution) in dairy, meat, honey and wool value chains.	
Number of key entities with improved function/business practices	2 ⁸¹
Number of representatives of the key export supporting entities trained	N/A
3.4 Improved transparency, accountability and efficiency of function and information transfer of key export related stakeholders to exporting entities in dairy, meat, honey and wool value chains (port officials, NFA and regional equivalent officials, border officials).	
Number of information initiatives from stakeholders to exporters ⁸²	2 ⁸³
Increased understanding and confidence in job remit (e.g. port/border officials)	N/A
Increased transparency of function and information transfer of key export related stakeholders to exporting entities in dairy, meat, honey and wool value chains (qualitative)	Upcoming in next reporting period

⁷⁶ One meeting with Georgian and Armenian governmental officials to establish Women's Room model in Lori province in Armenia and Armenian official delegation's visit in Georgia to attend National Women's Business Forum and visit Women's Rooms in Adjara; A Memorandum and a grant agreement was signed with Alaverdi Municipality in Armenia to copy the Women's Room's model and establish a municipal Women's Room service; The first municipal Women's Rooms Annual General Meeting in Tskaltubo. Hiring an Armenian Gender and Governance Expert to make a Gender Guidelines for Local Self- Government of Armenia;

⁷⁷ 1026 female 19 Women's Rooms users, 3,586 female users/ beneficiaries who participated in Meetings/Trainings and other Events from 9 newly opened Women's Rooms in Kakheti region which started to operate from July 2018; In February-March 2019 village meetings were held under the Village Support Programme in the whole country, 34,974 were female participants of the meetings which is 37% of the whole number of attendants.

⁷⁸ 4 Women instigated community livelihood initiatives in Ajara funded with 439,000 Gel (a centre for the people with disabilities in Shuakhevi municipality, a kindergarten in Shuakhevi municipality, psycho-neurological hospital and brochures about artisans to promote traditional crafts). Also, 22 women submitted applications for civil budgeting initiatives, out of which 8 were funded with 189,000 Gel. *The information will be updated by following annual report*; 173 women's instigated community initiatives (water projects, kindergartens, village ambulances, roads, public toilets, etc.) will be funded by the municipal budget this year

⁷⁹ 2019 Village meeting initiative value will be added in the following bi- annual report period

⁸⁰ Alali Ltd and the Georgian Wool Company

⁸¹ Improved NFA functions in issuing necessary documentations for honey export; Improved MEPA function through the MEPA Honey Committee

⁸² Information campaign against using antibiotics in honey sector by GBU

⁸³ Honey Advisory Committee, Honey Umbrella Association

3.2 REFERENCE TO INTERVENTIONS/ACTIVITIES PROPOSED AND ACTUAL

Overview: Please see *Annex 3* for the list of interventions undertaken in the reporting period. Please see *Annex 1 and 2* for detailed qualitative and systemic impact. See *Transversal Themes Section 2.4* for activities related to WEE, animal disease control and ALCP ‘operational arm’ cooperation.

Expansion into Kakheti: The new Kakheti sub office was fully operational by the end of March. The team is ensuring the full participation of Kakhetian dairy entities in the Georgian Milk Mark, finding an additional seven potential dairies to participate in addition to the dairy, which has already applied. Market research into slaughterhouses predominantly for sheep export is ongoing. The Kakhetian Beekeepers Association is being facilitated to become a member of the GBU. The team is currently surveying locations for watering points on the AMR and is working under the capacity building mandate including an application drive for women to apply for small grants to Enterprise Georgia with the nine Women’s Rooms. (See 2.2 *Transversal Themes* for more information)

Georgia and Cross Border Supporting Functions: Mar-Mot LTD: Sales and distribution of agricultural machinery, equipment and spare parts in Armenia (including hoses and rakes manufactured in Georgia⁸⁴) have considerably increased during the last year through eight business partners’ machinery shops in Armenia and eight machinery shops in Georgia. Eighty-one trips were made to Armenia by the company’s distribution truck, saving 40,500 Gel in transportation costs⁸⁵. 22,300 hydraulic hoses were sold (60% in Armenia), 611 rakes and mowers (70% Armenia) to a value of 2.4 million Gel (50% Arm). 9,927 farmers were served (60% Arm). The annual qualitative impact assessment for this intervention was conducted in Armenia in September 2019. Entry into the Azerbaijan market is underway, initially in the supply of Georgian manufactured rakes and expected from May 2019.

The *combined feed producer and exporter Agro Trading Ltd* has successfully exported three tonnes of bran and 25 tonnes of grain to Armenia (supplied to a distributor selling to fifty farmers). The company is now negotiating with Armenian partners concerning prices. 1,134 tonnes of combined feed as well as 6,000 tonnes of milled grain were produced and sold in Georgia in the reporting period. Currently Agro Trading distributes to 25 independent selling points in Georgia⁸⁶.

Cross border development of agri journalism and agri journalism initiatives are ongoing. The Georgian Journalism Resource Center (JRC) in partnership with the Media Initiatives Center (MIC) in Armenia, organized an agri journalism training for eight Armenian TV and press journalists. One local TV [ALT TV](#) in Armavir province in Armenia launched regular agri reports. Four Armenian universities are integrating the agri journalism module in their course in their journalism departments. Odlar Iurdu University of Baku has also expressed interest in integrating the agri journalism module. The modules have already been updated, translated and shared with the universities.

Dairy Sector: Georgian Milk Mark: On 22nd of January, the ‘Georgian Milk’ mark was presented to a wider audience in Tbilisi. Up to 150 dairy enterprises and representatives of supermarkets, agri markets, sectoral associations and Government Agencies participated at the event. Since then⁸⁷ 22 dairy enterprises have submitted applications to the Business Institute of Georgia (BIG), which is a programme-facilitated independent body administering the ‘Georgian Milk’ mark. Seven dairy enterprises out of twenty-two have been granted permission to use the mark. The remaining fifteen dairy enterprises are now improving their traceability and implementing HACCP in order to be eligible to use the mark. The ‘Georgian Milk’ mark is registered in the National Intellectual Property Centre of Georgia, Sakpatenti, as a result of which the mark is protected against falsification and strengthens the ownership of BIG, which will regularly audit dairies granted licenses to use the mark. A national promotion campaign conducted by GMA international marketing company started in March. Billboards have been

⁸⁴ The company saves 30% manufacturing hoses and rakes in Georgia rather than importing them. The manufacture was facilitated by the ALCP.

⁸⁵ I.e. the cost of self-transporting the implements and also a considerable saving of time.

⁸⁶ Including three new points opened last year in Ninotsminda, Tsalka and Sakdrioni villages all major dairy producing areas.

⁸⁷ The figures quoted are those recorded within the reporting period.

placed in Tbilisi, Rustavi, Kutaisi, Batumi, Akhaltsikhe and Mtskheta. The promotion campaign is being disseminated via national and regional media, social media (Facebook, LinkedIn, Instagram) and dairy companies using the mark. GMA has developed marketing materials (e.g. uniforms with mark, fabric bags with mark, stickers for product & distribution cars), which are being used by dairies.

Meat: The investment into added-value and product diversification in *Alali* slaughterhouse for an entrail processing plant was completed in May 2018. The company's Turkish business partners invested in this facility (April 2018). *Alali Ltd* has already exported 100 tonnes of sheep by-products to Iran and China from this new facility. *Alali* slaughterhouse also found an Iranian business partner who invested in a new sheep slaughterhouse building next to the entrail processing plant. The new slaughterhouse is now exporting Halal chilled sheep meat from Georgia to Iran. *Alali* slaughterhouse has a potential new market for packaged Halal chilled sheep in Dubai and a week ago the *Dubai Food Control Authorities* inspected the slaughterhouse. The result from Dubai is expected soon. Ori Gio slaughterhouse in Khulo, AJ is also diversifying into processing after successfully receiving a grant from ENPARD II. The NFA is carrying out stricter monitoring of meat shops throughout Georgia, penalizing incompliances, which include the lack of a Form 2 proving compliant slaughter in a slaughterhouse, following the ALCP Meat Advisory Committee meeting held in April 2018.

Wool: In 2018, *The Georgian Wool Company* opened six collection centres in Ninotsminda (Samtskhe Javakheti), Iormuganlo, Gamarjveba (Kakheti Region) and Gachiani (Kvemo Kartli Region), started wool sorting and providing sheep shearing services to sheep farmers in SJ, KK and Kakheti regions to improve wool quality for better pricing. This year the company has doubled the amount of collected wool exceeding 800 tonnes. The Georgian Wool Company recently paid sheep farmers and intermediaries for 300 tonnes of wool in advance of the new shearing season as well as loaning sheep shearing equipment to sheep farmers to obtain better quality and reduce costs⁸⁸.

Honey: Focus is now securely on the core market related to honey export and rules related to the control and monitoring of honey quality parameters nationally.

Core Market: Implementation with KTW to facilitate Georgian honey export is fully underway. Eleven tonnes of five types of honey (Chestnut, Alpine, Acacia, Blossom and Jara) were aggregated from beekeepers of seven regions of Georgia after comprehensive rounds of laboratory testing was conducted in international laboratories in Ukraine and Germany. Homogenization of aggregated honey has now commenced (April 2019), after which it will be bottled in new glass jars with a brand-new label, designed according to EU consumer preferences. Once ready, the honey will be exported to the company's German distributor, from where it will be distributed to other EU countries. The company began the first ever commercial systematic purchase of Jara honey from the ALCP aggregated database of Jara suppliers in September 2018. Jara honey is now available in KTW shops in Georgia

Rules: The need for tighter control of banned residues in Georgian honey, the roll out of more user friendly and fit-for-purpose laboratory testing, the promotion of Georgian honey and the high levels of antibiotic residues in honey which are limiting the development of the honey sector, were the main issues discussed at the first Honey Advisory Committee held in June 2018. Subsequently MEPA created a Honey Committee at the Ministry; a working group allowing key honey stakeholders including the Georgian Beekeepers Union (see below) and government. As a direct result in November 2018, the Government of Georgia adopted regulation #525, which forbids the registration and sale of vet drugs containing prohibited antibiotics widely used in beekeeping⁸⁹. The regulation entered into force in January, 2019 and was nationally covered by media.

⁸⁸ Fewer labourers are hired by farmers as electric shearing is quicker by at least double the number therefore transaction costs for farmers are reduced and they sell the wool for less.

⁸⁹ Chloramphenicol, metronidazole, dimetridazole, ronidazole, nitrofurantoin (including furazolidone)

Facilitation of Honey sector associations: The ALCP facilitated seven sectoral associations and two private companies^[1] to unite and create an umbrella association Georgian Beekeepers Union (GBU) in November 2018 and later, in March 2019 the Jara Beekeepers Association, also facilitated by the ALCP, joined the union. The GBU has conducted several advocacy meetings with the MEPA/NFA since November 2018. To date, as a result of GBU advocacy, a million GEL state tender which was going to be awarded to a company supplying cheap Russian honey was altered in favour of procuring Georgian honey in order to support the sector^[2]; a campaign against antibiotics was conducted using a Do's and Don'ts Antibiotic Use infographic and they collaborated with the NFA on a 'vet drug control' strategy document. The GBU has positioned itself in the media as the main stakeholder of the sector by participating in TV programmes and discussing side effects of antibiotic usage in beekeeping and promoting good practices. Just outside the reporting period in April 2019 the ALCP signed a grant agreement with the GBU aiming to further strengthen the union.

3.3 IMPLEMENTATION CONSTRAINTS AND WAYS TO OVERCOME THEM

Main constraints remain consistent with previous phases of the programme and those reported in the Annual Report. Models and entry points facilitated by the ALCP are still being leveraged by other donors, projects⁹⁰ and government entities with different *modus operandi*. Several projects are also keen to work directly with the ALCP on certain interventions and as well as requiring considerable team time inputs, it is imperative that any initiative does not abandon core sustainability practices. Managed well by all parties these opportunities can amplify and add to the sustainability of impact and growth at worst they can diminish sustainability and even disrupt the functionality of a new sector.. The regulatory focus of the NFA still has gaps, which increase constraints for clients such as insufficient policing of milk powder usage and sale as raw milk and unregistered factories. With regard to external constraints in the operating environment see 1.2 *Evolution of the Context* and 1.3 *Bilateral and Multilateral Issues of Note for Policy Dialogue*.

Recently two key and competent members of MEPA and the NFA respectively have left to join donor projects which have been a considerable loss to the project, making facilitation temporarily more difficult and less efficient. Regular and rapid change in key political actors at all levels due to elections and sudden replacements being made of key figures can have the effect of temporarily impeding ongoing interventions in which these key figures are involved, requiring a rebuilding of political and social capital. However, in many cases this is mitigated by the strength of interventions themselves coming to the attention of the individuals and then communication and cooperation being naturally reinstated.

3.4 EVENTUAL CHANGES TO MAIN ASSUMPTIONS

There have been to date no major changes to programmatic assumptions following the *Bi-Annual Report*.

[1] Georgia Professional Beekeepers Association, Georgian Apifarmers' Association, Ajarian Beekeeping Business Association, Global Entrepreneurship Network Georgia, Farmer of the Future, Georgian Agricultural Cooperatives Association, IDP Beekeepers Association, Impervet Ltd and Despani Ltd

[2] A winner company wanted to purchase 72 tonnes of honey from Russia for the Georgian military forces

⁹⁰ Outside the reporting period even the SDC MOLI project convened a 'National Veterinary Conference' without informing the ALCP, whilst engaging Roki the ALCP's client.

CHAPTER 4 – FINANCES & OPERATIONS

4.1 PERCENTAGE OF BUDGET SPENT VS. PLANNED PER OUTCOME

The ALCP investment support facility increased in the January 2019 revised budget by 623,742 (83%). See Table B for details. Thus for the ALCP support lines⁹¹ as of March 31st, 2019, the spending percentage is on track, reflecting programmatic expansion in line with budget increase. See 3.2 *References to Activities Proposed and Actual* for details. The percentages represent the rate for the full four-year phase.

Table B Revised and Original Budget Support Funds and Spending Percentages

ALCP Support Facilities (CHF)	Total Budget from Jan 2019	Total Budget from Mar 2017-Dec 2018	Funds remaining March 31 st 2019 (Jan 2019 Budget)	Funds Remaining September 30 th 2018 (Mar 2017-Dec 2018 Budget)
Alliances Investment Support Facility (Including Gender and Governance)	1,377,136	753,394	626,013 (45.46% spent)	487,336 (64.69% spent)
Technical and Transversal Themes Sub Contractors	33,600	33,600	23,272 (69.26% spent)	14,849 (44.19% spent)

4.2 BUDGET DEVIATIONS AND OUTLOOK FOR THE REST OF THE PHASE

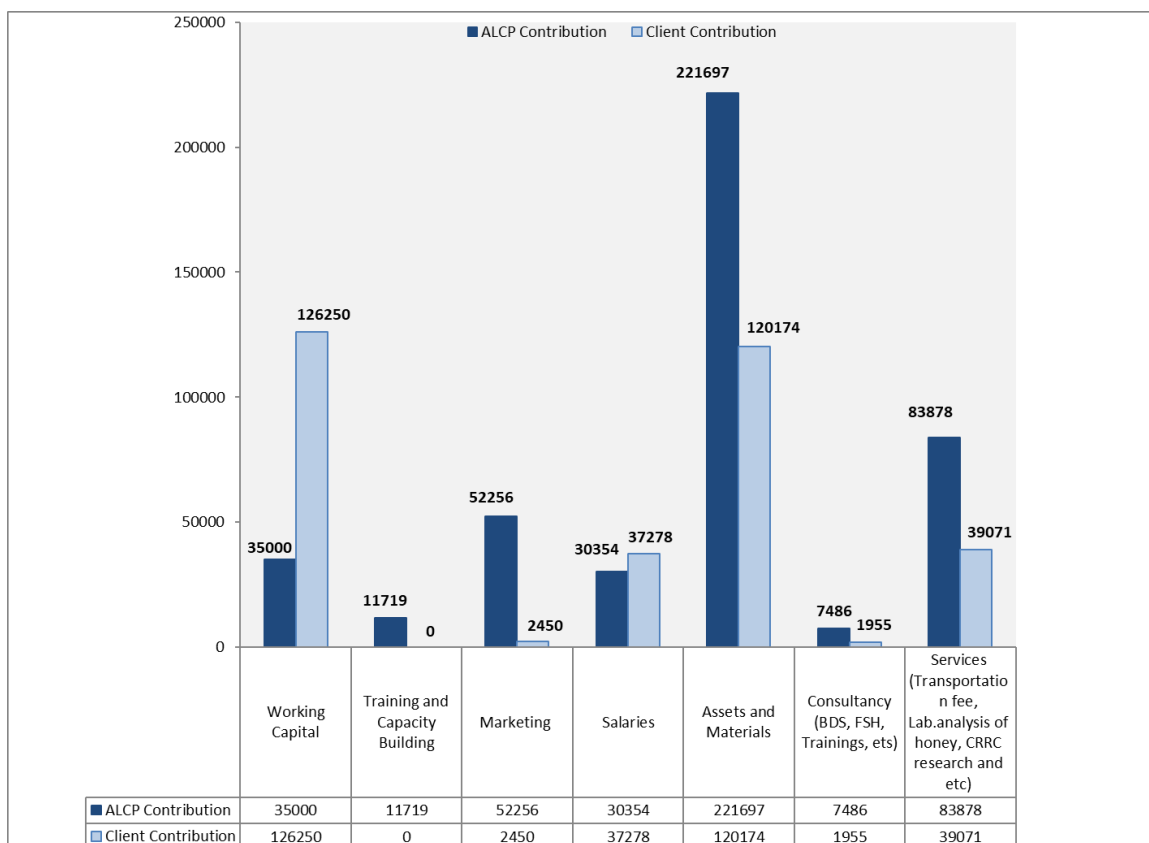
As noted above and taking into account the increased budget, spending remains on track at the two year mark, showing that the programme has successfully accommodated the increase in funds and is translating it into programming. New interventions being brought online and planned for outside of the reporting period intend to continue this momentum. Please see *Annex 3 List of Investments made in the reporting period*.

4.3 APPRAISAL ON HOW EFFICIENTLY INPUTS WERE CONVERTED INTO OUTPUTS

The efficiency of input conversion is enhanced through the use of the co-investment mechanism. Programme co-investment is currently running at an average of 57% up from 51% (Bi-annual report September 30th 2018) reflecting the financing of new interventions in product diversification, the creation and promotion of a new Georgian Milk mark⁹², cross border trade and the export of Georgian honey.

91 ALCP Investment Support Facility including (DRR Gender and Governance) Support Facility and Technical and Transversal Themes Sub Contractors.

92 The Georgian Milk mark distinguishes dairy products made from natural raw milk. The purpose of the mark is to promote products made from Georgian natural raw milk, to help consumers make informed decisions while buying milk and other dairy products. The mark can only be used by companies making dairy products from natural raw milk and which do not contain milk powder and/or any vegetable oils



4.4 HUMAN RESOURCES & TEAM MANAGEMENT⁹³

All offices are working successfully and maximizing the geographical synergy of their locations to enhance interventions. The new office in Telavi, Kakheti has been successfully opened and a new Kakheti Sub Office coordinator, Data/Theme officer, driver and cook have been successfully recruited and on-boarded. A new organogram reflecting minimal staff changes⁹⁴ and new office organization was submitted as part of the budget submission for January 1st 2019.

⁹³ NB: it must be continually noted that though requiring effort to manage and document, flexibility in staffing and altering staffing to suit needs as the programme develops rather than slavishly following fixed budgets is one of the key tenets of the organisational 'adaptive' culture that allows for effective MSD implementation.

⁹⁴ Three staff members left to pursue further education for which they received scholarships; see Bi Annual Report for more details.

CHAPTER 5 – GOOD PRACTICE & LESSONS LEARNED

5.1 NETWORKING & INTERAGENCY COLLABORATION WITH KEY REGIONAL & NATIONAL PARTNERS, & STAKEHOLDERS

Georgia: Co-facilitation of Women's Rooms in Kakheti with MOLI finished in November 2018, as the MOLI project ended. However the MOLI staff member in charge of WR's has been hired as Kakheti Sub Office Coordinator and thus valuable institutional knowledge and contacts have been preserved. *SCO in Georgia:* Working relations with the NAITs programme and UN Women are ongoing. Deputy Mission Director Werner Thut and colleagues attended the ALCP office for a brainstorming session on entry points for the upcoming SDC mid-term review. Topics included potential new value chains, climate change and sustainable rural tourism and areas for VET focus in line with current business needs. The Ajara office aided the contractors⁹⁵ of the UNDP project *Strengthening the Climate Change Adaptation Capacities in Georgia* to conduct an assessment by facilitating the involvement of the municipal DRR working groups originally initiated by the ALCP in 2014. The USDA SQIL programme has been in ongoing communication with the ALCP and a working meeting between key opposite members was held in March. The programme is interested in contributing to the dairy sector in relation to the Georgian Milk Mark as well as the meat sector. Collaboration will be ongoing.

Considerable data, technical inputs, facilitation with key dairy clients and discussion are ongoing with the Microinsurance at Milliman IFAD consultant, who are backstopping a technical innovation grant for IFAD looking at insurance in the livestock sector for small-scale livestock farmers. *Cross border:* Slightly outside of the reporting period, ongoing coordination with SDA in Armenia saw team members working on Armenia interventions meet with key opposite members at Lake Sevan this April. Concrete entry points for cross border initiatives were identified. More working meetings to push interventions forward will be forthcoming in the near future.

5.2 REVIEWS, SELF-EVALUATIONS, RESEARCH AND DISSEMINATION & INTERNATIONAL NETWORKING

External Review: The Springfield Centre for Markets in Development published their external review/case study of information in Alliances in January 2019⁹⁶. [Developing Media Market System to Address Agricultural Constraints](#) and [Summary Version](#). The study has been widely disseminated through the BEAM Exchange, Mercy Corps and SDC. The study provides a comprehensive assessment and practical lessons learned of the value of intervening in media markets to address constraints in the agricultural sector. The review was commissioned on the back of a national self-review of information impact at sectoral and farmer level [A National Review of Information in Alliances September 2018](#).

Self-Evaluation: A new version of the [Results Measurement Manual](#) has been published for use in the programme following SCO review⁹⁷. The manual includes new sections on impact assessment, better mainstreaming of qualitative information measurement and gender in all sections, plus expanded and improved Systemic Change, Gender, and WEE chapters and tools which include the advances the programme has made in developing tools, and methods to capture equitable complex impact.

Knowledge Sharing: It was a momentous year for knowledge sharing. The Director General of SDC visited ALCP interventions in May last year and the Assistant Director General of SDC in March this year accompanied by the heads of the Europe and Asia divisions and Swiss Ambassadors. A study visit of seven Swiss Ambassadors to CIS countries and their counterpart SDC Mission Directors was hosted in April 2018. The SDC Programme officer to Georgia is keen to institute an exchange visit between the ALCP and the West Balkans for 2020. A delegation from Kyrgyzstan of an SDC Helvetas livestock programme including the SDC Programme officer, Aga Khan Representative and CD of Helvetas came from a week long study tour at the end of April. Linkages in the world of

⁹⁵ Black Sea Eco Academy (the Black Sea Eco Academy was facilitated by the ALCP between 2014-2017 to provide local technically able environmental entities in Ajara).

⁹⁶ Commissioned by the ALCP Springfield were selected through invitational tender.

⁹⁷ New sections were checked by technical RM backstopper Phitcha Wanitphon DCED consultant.

gender and WEE have led to the ALCP providing ongoing technical inputs and support to the DFID Arab Women's Enterprise Fund in Jordan and facilitating a study tour for government officials and MOA Jordan representatives from Jordan in April 2018. Within the Mercy Corps agency the ALCP hosted the MC Global Livestock Summit in September 2018 and the ALCP MSD model was enthusiastically received as well as generating much interest in the modus operandi and relationship with SDC. In November, the programme hosted a group of Mercy Corps HQ and MC Tajikistan members for an MSD workshop designing an MSD training course; the Deputy Team Leader and Team Leader then went to Tajikistan for a week in order to train the team and help develop the concept note for an MSD and Water project. The MC Jordan Water Innovation Technologies programme came on a study tour in early February 2019 and received a specially designed training.

MSD Best Practices, Gender and WEE dissemination: The Team Leader is continuing to teach the course⁹⁸ on integrating gender and WEE into market analysis on the Springfield Training course in Bangkok in November. In April the Team Leader participated in a [DCED results measurement troubleshooting webinar](#).

SDC Georgia Livestock Impact Mapping Project (September 2018 to date): Based on the initiative of SDC the data of RED, MOLI and the ALCP has been amalgamated into GIS interactive maps created by GeoLand in [dairy](#), [meat](#), [wool](#), [veterinary](#), [machinery](#) and [honey](#). Users can disaggregate by village, regions, municipalities, village, programmes, enterprises, number of beneficiaries and countries where impact goes beyond Georgia.

CONCLUSION

To date it appears that the transition occasioned by the budget revision with increased support funds and programme expansion into Kakheti, which has required careful strategic planning and additional operational and programmatic activity, has been successfully managed. Spending is on track despite an 83% increase in support funds and working partnerships under the auspices of the operational arm, including cross border collaboration with SDA continue to be highly functional. Impact continues to accrue under the regional vision of the ALCP, with the continued growth of cross border interventions and considerable sector deepening in Georgia. The team are highly motivated by significant morale boosts in the form of recognition within Mercy Corps, the ongoing support of SDC, external requests for knowledge sharing, from professional validation through the external Springfield review and gains in complex and technically demanding national interventions in dairy and honey. Activity levels will have to be maintained in the next reporting period, which will be crucial in driving forward new entry points in West Georgia and Kakheti and newer intervention areas, to maintain programming and spending momentum.

⁹⁸ Entitled Laying the Foundation for WEE: Conducting a gendered market analysis.

ANNEX 1 MAIN QUALITATIVE FINDINGS PER REPORTING PERIOD⁹⁹

QUALITATIVE IMPACT PER SECTOR April 2018-March 2019	
VETERINARY	
FARMER WEE	<p><i>Fostering Gender Balance in Veterinary Business</i></p> <ul style="list-style-type: none"> * The <i>Farmers of Future Association</i> has increased female members of the association from 375 to 4200. * 46 female vet pharmacy owners have been using <i>Roki's</i> distribution services, from a baseline of 27. * <i>Roki</i> has helped female farmers to attend their organized trainings and encourage them to use their services. The number of female training participants have increased on average from 10% to 43%.
BUSINESS	<ul style="list-style-type: none"> * Over the last year <i>Roki's</i> export has increased by 9%. * <i>Roki</i> is now exporting twelve kinds of vet medicines to Azerbaijan and five kinds of vet medicines to Turkmenistan. <i>Roki</i> has already registered their feed additive <i>Rumifos</i> in Kazakhstan and hope now to be able to reach the markets of the <i>Eurasian Economic Union</i>. * Sales of vet medicines from <i>Roki</i> Tbilisi based vet pharmacy have decreased by 80% showing the importance of <i>Roki's</i> distribution service throughout Georgia.
MACHINERY	
FARMER	<p><i>Early signs of positive changes in Armenia</i></p> <ul style="list-style-type: none"> * Farmer customers of <i>Marmot</i> in Armenia are increasing their number of livestock, due to improved access to machinery services. * They are now producing hay and alfalfa for their cattle themselves instead of buying it from others. Respondents stated that over the last two years more land has been cultivated for hay and alfalfa, before they used to cultivate less land due to lack of 'working' machinery services and spare parts. * The majority of machinery service providers own old machinery and they need frequent repair. Over the last year spare parts have been available in rural machinery shops and they are buying and repairing their equipment on time. * <i>Sev-Agas Ltd</i> (<i>Marmot's</i> Armenian partner) has started working with <i>MFI Finca</i> (Armenia) to provide interest free loans to customers on all agricultural machinery on the condition that customers pay the loan back in 6 months. <i>Finca</i> agreed to reduce its 9 % base interest rate to 6%, which is fully covered by the company to increase sales. Thirty customers have taken loans to date at zero interest to buy rakes and mowers.
BUSINESS	<ul style="list-style-type: none"> * <i>Marmot Ltd</i> has been supplying mowers, rakes and spare parts at a 15% discount to Armenian partners. * Distribution to Armenia by <i>Marmot Ltd</i> reduces the cost of buying machinery by 4%. * Armenia partner machinery retailer <i>Sev-Agas Ltd</i> has already bought 183,000 USD worth of equipment from <i>Marmot</i> from the 500,000 USD agreed in a 3-year contract and machinery retailer <i>V&N Ltd</i> (a new Armenian partner) has already bought 100,000 USD of equipment. <i>Sev-Agas Ltd</i> is also interested in stocking and selling veterinary inputs and combined feed. * <i>Marmot</i> has already sold 18,000 hydraulic hoses since July, 2018. 53% of which were sold to Armenia. * <i>Marmot</i> is negotiating with their new partner in Azerbaijan to export rakes there.

⁹⁹ Note: Qualitative Data is measured annually. However not all occur at the same time. This report includes all those interventions which were due for their annual qualitative impact assessment in the reporting period.

SECTORAL CHANGE IN IN-STORE AGRI CREDIT PROVISION	
BUSINESS	<ul style="list-style-type: none"> * <i>Credo Bank</i> a former MFI has been providing in-store agri credit since 2014 after seeing the demand for it from town based small businesses in rural municipalities. <i>Marmot Ltd</i> and <i>Roki Ltd</i> were among the first and most important of them. <i>Marmot</i> in particular is a valued client and is among a few shops, which have in-store zero interest agri credit to customers, the majority of agricultural shops and vet pharmacies have from 3 to 5 % interest rate. * In 2015 the <i>MFI Crystal</i> copied the same model with the same terms and conditions from <i>Credo</i> after seeing the demand for it from small town based businesses and that <i>Credo</i> had a very good agri portfolio at that time. * <i>Crystal</i> is the second biggest organization covering shops with in-store agri credit after <i>Credo</i> throughout Georgia. * <i>Credo</i> and <i>Crystal</i> are the only organizations with in-store agri credit. * In-store agri credit is helping <i>Crystal</i> bring in an increasing number of clients to whom they then offer other services as well. * The demand for in-store agri credit is increasing every day.
FEMALE FARMERS BENEFIT FROM USING MILKING MACHINES	
FARMER	<ul style="list-style-type: none"> * Over the past six years the development of the dairy sector has affected farmers who have started to invest more in their livestock business; <i>buying milking machines</i> is an example of this. * This investment is attributable to the ALCP amongst ALCP beneficiaries through improved access of farmers to information through media and training about FS&H through facilitated dairy enterprises. * ALCP facilitated satellite vets who have very close linkages with rural women have also been consistently providing information about <i>Roki's</i> milking machines and the benefits of using them. * Female farmers are now saving more than an hour when milking five cows. It now takes 20 minutes/five cows before it took an hour and a half. They use the saved time and energy for other activities. * With milking machines female farmers get cleaner and safer milk. * Copying is common between farmers by those who see others who own and use milking machines.
BUSINESS	<ul style="list-style-type: none"> * Over the past six years the number of shops and distributors selling milking machines has doubled. * On average the interviewed shops sell 30 milking machines per year¹; the number of milking machines sold in the majority of the shops has increased from 10 to 50% over the last year. * Milking machines¹⁰⁰ have been sold by the programme facilitated entities <i>Mar-Mot Ltd</i> (machinery supplier) and <i>Roki Ltd</i> (veterinary supplier) for the last six years¹⁰¹; 55% have been sold through in-store zero/ low interest loans. * 75% of interviewed machinery shops offer in-store interest free loans to farmers for buying milking machines through <i>Credo Bank</i>.
NUTRITION	
FARMER	<ul style="list-style-type: none"> * <i>Agro Trading Ltd</i> now has 25 distribution points/shops throughout Georgia when two years ago it had only one shop in Marneuli. * <i>Agro Trading</i> has expanded its distribution to Ninotsminda and Tsalka municipalities and is selling 3t of combined feed/ month/shop through three distribution points. * Sales of combined feed <i>Universal</i> have increased by 30-50% in almost all distribution points/shops in Georgia. * <i>Agro Trading</i> has established links with an Armenian partner for local distribution in Armenia and has already exported 25 tonnes of barley and 3 tonnes of bran to Armenia. * <i>Agro Trading</i> is now negotiating with <i>Sev-Agas Ltd</i> a <i>Marmot</i> partner in Armenia to supply combined feed there.

¹⁰⁰ A qualitative survey was carried out in February 2019 please see the aggregated results in an infographic here.

¹⁰¹ In-depth interviews were held with fourteen shops and nineteen farmers, for more details please see the survey [Building Access to Finance for Female and Male Farmers](#)

	<ul style="list-style-type: none"> * Farmers from border villages in Armenia are buying combined feed from the <i>Agro Trading</i> shop in Marneuli and are transporting it in their cars and vans to feed their cows and pigs. After the new government in Armenia, farmers are able to buy more than 50 kg of combined feed/ trip, which was restricted before, as a result of simplified regulations on the Georgia- Armenia border.
NATIONAL MEDIA CAMPAIGNS	
DOS AND DON'TS OF ANTIBIOTICS USE IN HONEY (FACTSHEET)	<ul style="list-style-type: none"> * Twenty reports have been broadcasted by mainstream media entities. National TV <i>Imedi's</i> morning programme <i>Imedis Dila</i> allocated fifteen minutes for the topic which reached 15,000 views on <i>Facebook</i>. * One honey producer, aggregator and suppliers of honey to supermarkets recorded a video blog about the usage of antibiotics, main treats and alternatives. * The most popular <i>Facebook</i> platform <i>Georgian Bee</i> with 14, 000 subscribers disseminated this information. * <i>The Georgian Beekeepers Union</i> disseminated it through the <i>Ministry of Environmental Protection and Agriculture</i>, which shared it with their <i>Information Centers</i> throughout Georgia. * The <i>Ministry of Agriculture of Ajara</i> shared it with eight <i>Local Action Groups</i> ¹⁰² which unites 700 farmers. * <i>The Beekeeping Research Base</i> in Mukhuri of the <i>Scientific Research Center under MEPA</i> disseminated it through beekeepers. * <i>The Farmers of Future Association</i> printed 1000 copies of the infographic, and shared it with their members. * The <i>Association of Georgian Agricultural Journalists</i> organized a training on beekeeping, included the information on usage of antibiotics; streamed on <i>Facebook</i> with 1,600 views.
SPREAD OF HONEY PROMOTION VIDEO	<ul style="list-style-type: none"> * Georgian honey promotion video by the <i>Georgian Beekeepers Union (GBU)</i> has reached 185,000 views and 6,000 shares. * <i>The Ministry of Foreign Affairs</i> shared it with their internal network of embassies in foreign countries and it was uploaded in a Georgian production section. The video is on the <i>Facebook</i> of the Embassy of Switzerland in Georgia. <i>The Georgian National Tourism Agency; The Department of Tourism and Resorts of Ajara; the Ministry of Environmental Protection and Agriculture; and The Agency of Protected Areas</i> are now sharing it with their network. * It has reached the highest views on the popular <i>Facebook</i> platforms Marketer.ge and Georgian Wine. * The majority of the viewers are emphasizing the interesting story mentioned in the video that they did not know before and are sharing it for further promotion.

¹⁰² LAG financed by ENPARD in Borjomi, Lagodekhi, Kazbegi, Tetrtskaro, Dedoplistskaro, Akhalkalaki, Khulo and Keda.

HONEY	
BEEKEEPERS	<ul style="list-style-type: none"> * Eleven tonnes of <i>Jara</i>, acacia, blossom, chestnut and alpine honey have been aggregated from 40 beekeepers of seven regions of Georgia, following international requirements & standards for honey export. * <i>Kakhetian Traditional Winemaking</i> – KTW paid 3-4 Gel/kg more for acacia, blossom, chestnut and alpine honey than the wholesale price and the majority of supplier beekeepers sold their entire crop to them. Previously beekeepers had not been able to sell honey for months, especially beekeepers from remote villages. * For the first time ever, twenty <i>Jara</i> producers have sold their entire crop of <i>Jara</i>, totaling one tonne, to a commercial enterprise, KTW paid 10-15 Gel more/kg than at the <i>Batumi Agrarian Market</i>. Before, the beekeepers could often not find a client for months. * The beekeepers are motivated to produce more. * <i>The BIO Certification</i> of 24 <i>Jara</i> beekeepers participating in the BIO certification process started in November, 2018. * The consultant of the BIO certification was appointed as the chairman of a newly established <i>Jara Beekeepers Association-JBA</i>. * The <i>JBA</i> members will save 0.3 Gel per <i>Jara</i> for hive treatment per season as the association purchased bio veterinary medicines for them at a wholesale price and is distributing them to beekeepers. * The <i>Jara Beekeepers Association (JBA)</i> established under the <i>Ajara Chamber of Commerce and Industry (ACCI)</i> is working on assigning the status of <i>Intangible Cultural Heritage</i> for the tradition of <i>Jara</i> honey production and the registration of a <i>Jara</i> trademark.
BUSINESS	<ul style="list-style-type: none"> * <i>Kakhetian Traditional Winemaking</i> – KTW is now positioning itself as a honey producer & exporter company, before the company was known as an exporter of wine and spirits. * KTW got information about the requirements & standards of honey aggregation from the <i>QTL</i> laboratory in Ukraine. There is no proper information source in Georgia to get this kind of information. * KTW developed a questionnaire to select compliant supplier beekeepers to avoid the risk of sending incompliant honey samples for lab testing and to decrease the cost of testing. * KTW is the first private company to send so many (40) honey samples to internationally accredited laboratories in Ukraine and Germany. * Other honey producers and aggregators have already started to aggregate compliant honey from beekeepers who have tested their honey, to avoid adulteration and contamination of honey. Previously they used to aggregate honey which hadn't been tested. * KTW re-branded and re-packaged its honey products including <i>Jara</i> honey with the help of an international marketing company to meet requirements of consumers in the EU. * <i>Georgian Honey and? Jara</i> honey was promoted at an international exhibition in China in 2018; <i>Jara</i> honey will be promoted at the event <i>World of Bees & Honey</i> in London in May 2019; the exhibition of <i>Georgian Products</i> in Denmark in July 2019; and at the <i>International Beekeeping Congress & Exhibition Apimondia</i> in September 2019.
DAIRY	
FARMER	<ul style="list-style-type: none"> * <i>JTA</i> has improved payments to milk suppliers and has given them plastic cards to monitor their amount of supplied milk via SMS. Before the enterprise used to write supplied amounts in a notebook with lots of mistakes. The milk suppliers are collecting money on their plastic cards which they can now use in the new <i>JTA</i> grocery shop, whilst before they used to have to wait for two weeks to receive their money.
BUSINESS	<ul style="list-style-type: none"> * In December <i>Milkeni</i> opened a small shop next to their enterprise and is selling their dairy products. Since then it has doubled production of butter 60kg/month, started producing ghee 30kg/month and is selling them through their shop and supermarket chain <i>Madagoni</i> in Rustavi. * <i>Tsalka +</i> opened a new cheese storage space in Batumi and is providing cheese to up to 43 HoReCa entities in Batumi at a wholesale price. * <i>Tsintskaro +</i> has increased their variety of dairy products, they now are producing: sulguni, smoked sulguni, sulguni with mint, factory cheese, nadughi and butter. * Over the last three months <i>Tsintskaro+</i> has been producing 400-500 kg butter/month and supplying <i>Madagoni</i> and <i>Zghapari</i> supermarkets.

	<ul style="list-style-type: none"> * The <i>Agro Projects Management Centre of the Ministry of Agriculture of Ajara</i> granted <i>Natural Produktsia Ltd</i> with a refrigerated milk collection car and 300 buckets for milk suppliers. <i>Natural Produktsia</i> participated in this competition and the importance of their business for the local community was a main factor in their selection above other candidates.
MEAT	
FARMER	<ul style="list-style-type: none"> * Sheep owners, who use the summer pastures in Ninotsminda, have been able to slaughter their sheep in <i>Alali Ltd</i> for export instead of slaughtering them in Gardabani and have saved 150 Gel in transportation costs/ 500-600 sheep. Some partial displacement although this business has huge throughput (50,000 chilled sheep this year to Iran) and so the displacement effect is negligible. * The sheep owners are satisfied with the quality of <i>Alali's</i> service and throughput. <i>Alali Ltd</i> slaughters 600 sheep in 5 hours, while other slaughterhouses needed more time due to lack of staff. * The sheep farmers are satisfied with the quality of the skins after slaughtering. They get 1 Gel/skin which is their additional income either selling them themselves or selling them to the slaughterhouse
BUSINESS	<ul style="list-style-type: none"> * <i>Alalai Ltd</i> exported 100 tonnes of sheep by-products to Iran in 2018. * <i>Abtin Group Ltd</i> has been importing Halal chilled sheep meat from Georgia to Iran for two years. The company could have worked with any of ten slaughterhouses in Georgia but they choose <i>Alali Ltd</i> as a compliant slaughterhouse with high capacity and the ability to meet their processing needs. The demand for the Georgian sheep meat is high in Iran, they are selling it for 30% more than sheep meat exported from Russia and 10% more than sheep meat exported from Armenia.
WOOL	
FARMER	<ul style="list-style-type: none"> * Sheep owners in Iormughanlo Village, Kakheti with a large number of sheep could only sell spring wool. When their sheep were in Ninotsminda summer pastures they could not find a wool buyer there for their autumn wool, sheared on the pastures and they threw it away. In 2018 they sold autumn wool as well, thanks to a newly opened <i>Georgian Wool Company</i> wool collection point in Ninotsminda. * Almost all of the farmers from Iormughanlo who take sheep to summer pastures have sold their autumn wool. * Farmers state that they have increased the number of their sheep by 20% in 2018. * These Farmers are positive about the increased price of wool, they are receiving an additional 0.25-0.30 Gel/kg compared to the same period last year.
BUSINESS	<ul style="list-style-type: none"> * In 2018 the <i>Georgian Wool Company</i> doubled collection to 830 tonnes of wool. India and the UK have already replaced the Turkish market with more reliable partners and better payment and trade conditions. The company exported the largest amount of wool last year. Three crowded in wool exporting companies are continuing to export wool to Turkey and India. * Zauri's management skills have improved, he now manages all the negotiations with his clients in English via skype. * The number of intermediaries employed by the <i>Georgian Wool Company</i> has increased from five to 30, they earn 0.1 Gel/kg which in total makes 57,000 Gel/30 intermediaries/season
WOMENS ACCESS TO DECISION MAKING AND PUBLIC GOODS IN KAKHETI	
FARMER	<ul style="list-style-type: none"> * All the Women's Room in Kakheti participated in a <i>16 Days of Activism Against Gender-Based Violence Campaign</i> visiting all villages in all municipalities and ensured women's participation in all activities. * Hospitals have been providing free consultations to rural people through all the Women's Rooms in Kakheti. * In August the Women's Room in Gurjaani (Kakheti) organized a meeting between fifteen women entrepreneurs who want to start new businesses. The participants visited four enterprises: one dry fruit factory, one winery, one fruit storage facility and one museum of ancient things. One of the participants of the visit, became inspired by the visit and has opened her own traditional cellar, she is hosting guests with her wine and Georgian cuisine. * Four women were employed with the help of the Women's Room in Telavi.

ANNEX 2 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)	Location (Region, Municipality)	Start Date	Business Description & Stability	Systemic Changes Attribution to the Programme
			Source	Verified/ not Verified (& date if verified)					
1	Machinery implements and spare parts distribution company <i>Mar-Mot Ltd</i> & <i>Roki Ltd</i>	Sectoral level change, partial attribution	Client	Verified/ March 2019	Y Indirect Qual.	Tbilisi	2014	<i>Credo Bank</i> a former MFI started providing in-store agri credit in 2014. Local <i>Credo</i> offices first recognized this demand when small town based businesses approached them and asked them to provide it. <i>Marmot Ltd</i> (2014) and <i>Roki Ltd</i> (2014) were among the first regional agri businesses to approach them. <i>Credo Bank</i> is now working with the majority of the better agricultural inputs shops and vet pharmacies in all municipalities throughout Georgia and the majority of them have from 3 to 5 % interest rate, <i>Marmot</i> is among a few shops who provide free in-store agri credit to customers, he is considered one of their best.	Programme client <i>Marmot & Roki</i> (up to forty <i>Roki</i> vet pharmacies offer this service out of 366 to whom they distribute medicine and inputs).
2	<i>Roki Ltd</i>	Crowding in Business expansion	Client	Verified/ Feb 2019	Y Indirect Qual.	Tbilisi	August/2018	Last year <i>Roki's</i> partner <i>Real Vet Ltd</i> in Azerbaijan opened a small enterprise in Baku to manufacture some antibiotics and anthelmintics. <i>Roki</i> is selling raw materials to them and teaching them how to manufacture the medicines and to package them. <i>Roki</i> registered their exclusive feed additive <i>Rumifos</i> in Kazakhstan and the market of other countries under the <i>Eurasian Economic Union</i> can be reached after registration.	<i>Roki</i> established trans-regional linkages with <i>Real Vet</i> in Azerbaijan, replicating the programme facilitated veterinary pharmacy model in 2016. They have been selling vet medicines to them since then. These are low margin products and the sale of raw materials is more profitable to <i>Roki</i> . The programme facilitated <i>Roki</i> laboratory helped <i>Roki</i> with producing <i>Rumifos</i>

3	Star Consulting (FS&H Consulting) Eka Burkadze Director	Business Expansion	Client/ STO	Verified/ Feb 2018	Y Indirect Qual	Georgia	March 2018	Over the last year <i>Star Consulting</i> has conducted HACCP for one cheese enterprise in Samtskhe Javakheti; one cheese enterprise in Samegrelo; two slaughterhouses in Kvemo Kartli and one slaughterhouse in Kakheti ¹⁰³ . <i>GMP</i> and <i>GHP</i> assessments for four slaughterhouses in Svaneti, Guria and Racha after the <i>National Food Agency</i> recommended <i>Star Consulting</i> to them. FS&H trainings for <i>TBC Bank's</i> HoReCa clients once a month since 2018 and 14 HoReCa sector entities: two in Tbilisi, nine in Shida Kartli, two in Kakheti and one in Guria. Five FS&H trainings for <i>Sheraton</i> hotel in Ajara and two for <i>Shekvetili, Guria the Paragraph Resort & Spa</i> hotel.	Eka Burkadze used the programme facilitated assessment models and training materials
4	Dairy in AJ Natural Produktsia Ltd	Business Expansion	STO	Verified/ January 2019	Y Direct Both	Batumi, Ajara	January /2019	<i>Natural Produktsia Ltd</i> exported four tonnes of cheese for testing to Israel at the beginning of February 2019, through the same distribution company <i>Tamani-1 Corp.</i> which is distributing their cheese to New York and Los Angeles, USA. The enterprise has a new market to supply 25 tonnes of milk/year, four tonnes of <i>Imeruli</i> /year and twelve tonnes of <i>Matsoni</i> /year to 26 kindergartens in Kobuleti municipality. The director of <i>Natural Produktsia</i> has invested 30,000 Gel in the renovation of the enterprise for a visit of consumer safety officers of the <i>Food and Drug Administration of the USA</i> , in May 2019.	Programme client

¹⁰³ Cheese enterprise in Samtskhe Javakheti - *IE Suren Kirakosian*; Cheese enterprise in Samegrelo - *Shurobumo Ltd*; Slaughterhouses in Kvemo Kartli- *Akhali Khortsi 2018 Ltd* and *Vita Produkti Ltd*; Slaughterhouse in Kakheti - *Tatia Ltd*.

5	Journalism Resource Center	Sectoral change/dep ening.	STO/ Client	Verified/ December 2018	Y Indirect Qual.	Tbilisi	December/ 2018	JRC used the existing linkages of Tbilisi Caucasus International University (CIU) with universities in Armenia and Azerbaijan to extend agri journalism in Armenia and Azerbaijan. CIU also invested 6,000 Gel in printing updated agri journalism modules and helped the Journalism Resource Centre to include the modules into the university journalism courses.	Programme Client.
6	Dairy in KK Tsintskaro+ Ltd	Business Expansion	STO/ Client	Verified/ November 2018	Y Indirect Both	Tsintskaro	November/ 2018	Tsintskaro + was awarded 256,000 Gel from ENPARD III to buy equipment for producing milk, 85,000 Gel is Tsintskaro+'s contribution.	Programme client. Compliant FS&H and efficient operation helped the enterprise to get the grant.
7	The First Honey Sector Advisory Committee	Sector level change	STO	Verified/ November 2018	Y Indirect Qual.	Tbilisi	November/ 2018	Since the 1 st of January, regulation #525 has been in force which prohibits registration of vet medicines containing antibiotics like, metronidazole, chloramphenicol, nitrofurantoin, etc.	The issue was highlighted and discussed in the ALCP facilitated First Honey Sector Advisory Committee meeting. The Minister of Agriculture asked the Veterinary Department of the NFA to initiate the regulation.
8	Ajara Beekeepers Business Association (Honey Festival)	Crowding in	STO	Verified/ November 2018	Y Indirect Qual.	Tbilisi	November/ 2018	The Georgian Apifarmers' Association (GAFA) organized a honey festival in Tbilisi Botanical Garden in November, 2018.	The association used the ALCP facilitated ABBA honey festival model.
9	Black Sea Eco-Academy	Business Expansion	STO	Verified/ October 2018	Y Indirect Qual.	Tbilisi / (covers all regions)	July/2018	Black Sea Eco-Academy was hired by UNDP/SDC for the assessment of Climate Change Adaptation (CCA) & Integrated Risk Management (IRM) practices in six municipalities of Ajara Autonomous Republic.	The survey the Human Wildlife Interface conducted for the ALCP programme was a main selection factor. Capacity building to develop a competent local player in environmental/conservation issues was a facilitation objective of the ALCP when the hired Black Sea Eco Academy.
10	Support & strengthening of women's access to decision making and public goods	Crowding in	STO	Verified/ October 2018	Y Indirect Both	Guria	October/ 2018	A Women's Room was opened in Ozurgeti Municipality, Guria.	Participation in the programme facilitated Equitable Empowerment in Georgia (EEG) 2018 event motivated the Head of the Department of Gender and Youth of Ozurgeti municipality to open the Women's Room

11	Machinery implements and spare parts distribution company <i>Mar-Mot Ltd</i> Armenian partner, agricultural machinery shop <i>SevAgas LTD</i>	Crowding in Business Expansion	Client	<i>Verified/ Sep 2018</i>	Y Indirect Both Direct Both	Gegharkunik Province, Sevan, Armenia	<i>March 2018</i> <i>Sep 2017</i>	Two machinery operators from Sevan town established their own machinery shops. They are buying implements and spare parts at a wholesale price from <i>SevAgas</i> . <i>SevAgas</i> expanded their space in Sevan, moved the shop to a new place and established a warehouse.	<i>SevAgas</i> is buying 15% of their implements and spare parts from <i>Mar-Mot</i> . The two shops asked <i>SevAgas</i> to sell them implements and spare parts at a wholesale price, and <i>SevAgas</i> agreed because <i>Mar-Mot</i> supplies them mowers, rakes and spare parts. Distribution means that parts cost 4% than transporting themselves from Tbilisi. Marmot also supplies the parts with a 15% discount on the shop price in Tbilisi. After he started working with <i>Mar-Mot</i> and increased his income by 20%
12	Dairy in KK Tsalka +	Business Expansion	Client/ STO	<i>Verified/ Sep 2018</i>	Y Direct Both	Tsalka	<i>Dec 2017</i>	<i>Tsalka</i> + opened a new cheese storage space in Batumi and is providing cheese to up to 43 HoReCa entities in Batumi at a wholesale price.	Programme client
13	The Georgian Wool Company	Business Expansion	Client/ STO	<i>Verified/ August 2018</i>	Y Direct Both	Tbilisi	<i>August 2018</i>	The <i>Georgian Wool Company</i> opened two additional wool collection centres in Garilovka Village, Ninotsminda and Gachiani Village, Gardabani. Wool is collected in these centres and afterwards the wool is sent to the Lilo based wool collection centre for sorting and baling for export. Over the last year the company has doubled and collected 830 tonnes of wool (2018). It has sent 125 tonnes of wool to a new partner in Belarus.	The programme facilitated the opening of two wool collection centre in Poka Village, Ninotsminda and Dedoplistskaro in Kakheti. After increased demand for wool from clients in India, Belarus and the UK he decided to invest more money in wool collection centres.
14	Honey Sector Advisory Committee	Crowding in	STO	<i>Verified/ July 2018</i>	Y indirect Both	Tbilisi	<i>July/ 2018</i>	MEPA established the <i>Honey Committee</i> , the first platform for better coordination between governmental, nongovernmental and private sector honey stakeholders.	The <i>Honey Committee</i> was created a month after the ALCP facilitated the first <i>Honey Sector Advisory Committee (AC)</i> , to deal with the coordination of honey related topics. 42% of the members (total 21) were chosen from the members of the AC.

15	Agro Trading (animal nutrition)	Business Expansion	Client	Verified/ July 2018	Y Direct Both	Marneuli	July 2018	Agro Trading has added three new distribution points in Gandza Village, Ninotsminda, Sakdrioni Village, Tsalka and Tsalka town. To date Agro Trading has 25 distribution points/shops throughout Georgia. 1,100 tonnes of combined feed and 6,000 tonnes of grains have been sold through these distribution points/shops in the fourteen months to date.	Programme Client
16	Black Sea Eco Academy (BSEA)	Crowding in	Client	Verified/ July 2018	Y Direct Qual	Tbilisi	Sep/ 2017	The Georgian University Secondary School in Tbilisi offered Conservation Biology as an elective subject for the students of the 10th grade for a year.	The school used and modified the Teaching Module for Conservation Education for Schools in Ajara, which was developed by the Black Sea Eco Academy (BSEA) in an ALCP intervention
17	Darts Group/BDS service in AJ	Business Expansion	Client	Verified/ June 2018	Y Direct Qual	Batumi/ AJ	April/ 2018	Darts Group was selected to develop business plans for young rural entrepreneurs supporting the Young Entrepreneur programme, implemented by the Agricultural Projects Management Agency (APMA) of the Ministry of Agriculture with financing from Denmark International Development Agency (DANIDA).	ALCP experience with the programme was one of the main selection factors above other candidates.
18	Matchakhela Ltd	Business Expansion	Client/ STO	Verified/ June 2018	Y Direct Qual	Ajara	April/ 2018	Matchakhela Ltd is supplying 20-30 kg chestnut and acacia once every two months, according to the season to the largest hotel in Shekvetili, Guria the Paragraph Resort & Spa hotel.	Programme client.
19	EcoFilms Ltd	Business Expansion	Client	Verified/ June 2018	Y Direct Qual	Tbilisi	April/ 2018	EcoFilms Ltd was hired by the World Wildlife Fund (WWF) to make photo series of farmers during the transhumance period in Ajara's Goderdzi Pass and surrounding area under their eco-corridors programme. Also, the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) hired them to shoot a documentary about the interconnection between wild nature and urban life.	WWF and the GIZ became interested in hiring EcoFilms Ltd after seeing the Jara documentary.

20	The Georgian Wool Company Ltd	Crowding in	Client/ STO	<i>Verified/ March 2018</i>	Y Indirect Both	Tbilisi	<i>November 2016</i>	Over the last three years three new wool exporters have entered the wool market and have been exporting greasy wool to India and Turkey.	<p>These wool exporters met the <i>Georgian Wool Company</i> and found out about the high demand for wool in Turkey and India.</p> <p><i>The Georgian Wool Company</i> was the first wool collection enterprise who opened a channel to India. Negotiations between the <i>Georgian Wool Company Ltd</i> and wool importers in India and their visits to Georgia helped other greasy wool collecting companies in Georgia to export to India as well as Turkey.</p>
----	-------------------------------	-------------	-------------	-----------------------------	-----------------	---------	----------------------	--	---

APPENDIX 3: LIST OF INTERVENTIONS UNDERTAKEN IN THE REPORTING PERIOD APRIL 1ST TO SEPTEMBER 30TH 2018

	Intervention #	Name	Contact	Location	Type	Date	Total Investment & % Contribution	ALCP	Client	3 rd Party	Rating
1	1.1.1 GMA/Theme 1 kk-1	GMA	Jaba Burjaliani	Tbilisi	Development of promotional website, marketing plan of the Georgian Milk mark	29/10/2018	\$ 62,590	62,590			Good
							% 100%	100%			
2	1.2.2 / 3.4.1 GMA /Theme -1 WG -1	GMA	Jaba Burjaliani	Tbilisi	Development of promotional websites and catalogues for Georgian honey and Jara honey	9/11/2018	\$ 7,265	7,265			Good
							% 100%	100%			
3	1.3/1.5 CRRC/Theme-1 KK-1	Caucasus Research Resource Centre	Dustin Gilbreath	Tbilisi	Dairy and Meat Consumer Preferences Research	16/04/2018	\$ 14,617	14,617			Very Good
							% 100%	100%			
4	1.3.1 Ajara TV/Theme-1 WG-1	LEPL Adjara Television and Radio of Public Broadcaster	Natia Kapanadze	Batumi	Consumer interest TV programme on agriculture & consumer issues	20/12/2018	\$ 12,580	7,631	4,949		Good
							% 100%	61%	39%		
5	1.5/3.1/3.2 Georgian Wool Company/Theme-2 KK-1	Georgian Wool Company	Zaur Kulliev	Tbilisi	Wool Exporter Market diversification/Export	04/04/2018	\$ 142,192	68,712	73,480		Very Good
							% 100%	48%	52%		
6	1.5.1 Milken/Theme-1KK-1	Milken Ltd	Iveri Gabarauli	Rustavi	Cheese Factory Product diversification	04/06/2018	\$ 83,585	44,935	38,650		Very Good
							% 100%	54%	46%		
7	1.5.1/3.2.1 Tanadgoma/Theme -1KK-1	Tanadgoma Cooperative	Amiran Kochalidze	Gardabani	Cheese Factory Market sustainability	13/04/2018	\$ 3,910	1,955		1,955	Good
							% 100%	50%		50%	
8	1.5.1/3.2.1 KTW Agro-Keda Ltd / Theme -1 WG-2	KTW Agro-Keda Ltd	Aleko Dadiani	Keda	Honey wine exporter Facilitate access to export markets for honey entities in Georgia	26/07/2018	\$ 139,217	49,143	90,074		Good
							% 100%	35%	65%		

9	1.5.3 Business Institute of Georgia/Theme-1 KK-1	Non-Entrepreneurial (Non-Commercial) Legal Entity Business Institute of Georgia	George Gigolashvili	Tbilisi	An independent body, who administers the Georgian Milk mark	01/11/2018	\$	41,676	38,676	3,000		Good
							%	100%	93%	7%		
10	1.5.3/3.2.2 Caucascert Ltd /Theme -1 WG -1	Caucascert Ltd	David Bedoshvili	Tbilisi	Accredited Bio certification body for Jara honey	14/11/2018	\$	12,000	12,000			Good
							%	100%	100%			
11	1.5.3/3.2.2 Elkana /Theme -1 WG -1	N(N)LE Biological Farming Association Elkana	Vakhtang Ghlonti	Tbilisi	Assist, train and support of Jara beekeepers to obtain Bio certification	9/10/2018	\$	7,708	7,708			Good
							%	100%	100%			
12	1.5.3 IE Levan Abashidze/Theme -1 KK -1	IE Levan Abashidze	Levan Abashidze	Tbilisi	Cheese distributor company	16/11/2018	\$	40,275	25,075	15,200		Good
							%	100%	62%	38%		
13	2.2.1 Mar-Mot /Theme 2 KK-1	Mar-Mot Ltd	Adil Piriev	Marneuli	Machinery Inputs Supplier/ Exporter Cross border trade expansion	11/05/2018	\$	105,165	55,165	50,000		Very Good
							%	100%	52%	48%		
14	2.2.2 Agro Trading/Theme-2 KK-1	Agro Trading Ltd	Lajvardi Shavadze	Marneuli	Importer/Exporter livestock feed Cross border trade	20/04/2018	\$	85,754	44,804	40,950		Very Good
							%	100%	52%	48%		
15	2.5.1 Alaverdi Municipality/Theme-2 KK-1	Alaverdi Municipality	Sasun Khechumyan	Alaverdi, Armenia	Establishing a Municipal Service Women's Room in Alaverdi, Armenia	14/09/2018	\$	23,268	14,348	8,920		Good
							%	100%	62%	38%		
16	3.2.3 Manana Tsikarishvili / Theme-2 KK-1	IE 'Manana Tsikarishvili'	Tamuna Tsikarishvili	Akhaltshikhe	Participation in Sheep Shearing festival in Armenia, promotion of Georgian Tushuri wool	08/07/2018	\$	318	318			Good
							%	100%	100%			

ANNEX 4 STAKEHOLDER PERSPECTIVES

Business expansion

Crowding in

Insights from the Field Highlighting Sectoral Impact

Sector growth

Sustainability

Cross border trade

CROSS BORDER TRADE BENEFITS ARMENIAN MACHINERY INPUT SUPPLIERS: 'I established linkages with *Marmot Ltd* in Georgia two years ago. Now *Marmot* is our main supplier of machinery inputs. In the beginning, the value of my orders was 4,000 USD, in 2018 they are 80,000 USD.' I joined my dad's business five years ago. As a young businessman I have more motivation to establish new linkages with importers than my dad, which motivated me to import spare parts from Georgia instead of importing them from Russia. **Nshan Melikyan, machinery shop owner in Echmiadzin, Armenia**



TRANSMITTING AGRI JOURNALISM SUCCESS TO ARMENIA: 'I attended an agri journalism training in April, 2018. We talked about developing agri sector specific journalism leading to the creation of qualified media professionals. We also discussed the integration of a new agro-journalism module into existing curricula. The *Vanadzor State University Journalism Programme* is going to establish this module from next year.' **Mane Papyan, Professor of the Department of Journalism at Vanadzor State University in Armenia**



SUPPORT TO AGRI JOURNALISTS: 'I am very glad to hear about all the initiatives related to agri journalism. Agricultural education is very important for ensuring quality agri information dissemination among farmers. My door is open for you at any time and our partnership with regional media is very important.' **Levan Davitashvili, the Minister of Environmental Protection and Agriculture of Georgia.**

EXPORT GROWTH AZERBAIJAN: 'We are exporting twelve kinds of vet medicines through *Real Vet Ltd* to Azerbaijan. We are also helping them start production of anthelmintics for endo and ecto parasites and some antibiotics. The help includes selling them raw materials and sharing of our experience and knowledge in medicine production and packaging. We have also registered our feed additive *Rumifos* in Kazakhstan and hope now to be able to reach the markets of the *Eurasian Economic Union*.' **Nikoloz Zazashvili, the Head of Roki Ltd.**



- SOCIAL RESPONSIBILITY in Dairy:** 'Since February 2019 our dairy enterprise has joined Kvemo Kartli Regional Development NGO and has established a weekend school for young rural people to teach them small enterprise management and how to lead a rural business successfully, they are very interested and inspired to do rural businesses.' **Zeinab Dzirkvadze, the owner of dairy factory Tsintskaro+ Ltd**
- FARM COMMERCIALIZATION PLANS:** 'Farmers have been keeping more cows since *Ori Gio* slaughterhouse and dairy company *Natural Produktsia* opened in Khulo (2014). I now plan to build a cheese enterprise in my village. I have already registered my land can buy m ten tonnes/day only in Ghordjomi community. Farmers are ready to supply milk because they see it as an important source of income.' **Gia Iremandze, a farmer from Ghordjomi, Khulo municipality**
- IMPORTANCE OF THE GEORGIAN MILK MARK FOR LOCAL DAIRY PRODUCERS:** 'The current dairy market is saturated with the dairy products produced from powdered milk, that are not differentiated. This mark allows consumers to distinguish between dairy products made from raw milk and powdered milk. This is a great initiative and I am sure it will be a huge step forward to promote clean production in the country and help milk supplier farmers.' **Tsezar Kakhadze, the owner of dairy products company Tsezari Ltd.**
- BENEFITS OF MEAT EXPORT:** '*Abtin Group Ltd* has been importing Halal chilled sheep meat from Georgia to Iran already for two years. We could have worked with any of ten slaughterhouses in Georgia but we choose *Alali Ltd* as a compliant slaughterhouse with high capacity and the ability to meet our processing needs. The demand for the Georgian sheep meat is high in Iran, we are selling it for 30% more than sheep meat exported from Russia and 10% more than sheep meat exported from Armenia.' **Husein Khalili, the owner of a Halal sheep meat import company in Iran.**



INCREASED INTEREST IN JARA HONEY: 'Our company participated in an international exhibition in China in November 2018. We took newly packaged *Jara* honey to the exhibition and everybody wanted to buy it. We are sure that the *Jara* honey export will be successful.' **Mariam Mamulashvili, the Export Manager of Kakhetian Traditional Winemaking (KTW) Ltd**

BENEFITS OF NEW JARA HONEY MARKET: 'This year I sold *Jara* honey to *KTW Agro Keda* the first time. The company paid on time and I am feeling that I have a stable market for *Jara* honey, before intermediaries from Turkey used to come some years and others not and the price wasn't good.' **Genadi Dolidze, the Jara beekeeper from Keda municipality.**

'I always had difficulties with selling honey due to the limited market and usually struggled to find a client. This year I was lucky to sell honey to *KTW Agro Keda* for two Gel/kg more for my chestnut honey. I also sold all the honey I had. The company paid me on time, which is an additional benefit as.' **Aleksandre Samteladze, a beekeeper from Senaki, Samegrelo-Zemo Svaneti region.**

INTEREST IN BIO CERTIFICATION: '*Jara* honey is 100% pure. Therefore, I quickly responded to a suggestion to produce bio-certified honey. It is a challenge, as I do not have experience or knowledge, but I have the help of professionals and I think I will be able to produce honey according to the standards.' **Roman Takidze, Jara beekeeper from Kobuleti municipality.**

GEORGIAN BEEKEEPERS UNION-GBU SUPPORTS BEEKEEPER INTERESTS: 'We already have a successful case of advocating for Georgian produced honey with the *Ministry of Environmental Protection and Agriculture*. We agreed that will source Georgian honey when announcing the state tenders, which amounts to a minimum of 70 tonnes of honey annually.' **Irina Kapanadze, a member of the GBU.**

H



O

N



E

Y



IMPORTANCE OF MEDIA CAMPAIGN IN HONEY: 'There have been so many beekeepers asking me for advice on treating their apiary after I gave an interview to *Me var Fermeri* and spoke about threats of using antibiotics in beekeeping. Many beekeepers just don't know about this and it is very important to deliver reliable information to beekeepers.' **Aslan Shakaradze, a beekeeper from Ajara.**



MORE WOOL COLLECTED: 'I have been selling wool to the *Georgian Wool Company* for three years. However I could only sell spring wool as in autumn when my sheep were in Ninotsminda summer pastures and I could not find a wool collector there and I threw it away. In 2018 I sold autumn wool as well, thanks to a newly opened *Georgian Wool Company* wool collection point in Ninotsminda. Almost all of the farmers from our village who take sheep to summer pastures have sold their autumn wool.' **Oruj Vasibov, a male farmer from Iormughanlo Village, Kakheti.**



WOMEN'S ROOMS SUPPORT BUSINESS STARTUPS: 'On August 31, the Women's Room in Gurjaani (Kakheti) organized a meeting between fifteen women entrepreneurs who want to start new businesses. The participants visited four enterprises: one dry fruit factory, one winery, one fruit storage facility and one museum of ancient things. One of the participants of the visit, Nino Saakashvili, became inspired by the visit and has opened her own traditional cellar, she is hosting guests with her wine and Georgian cuisine.' **Elza Papashvili, the Women's Room Manager in Gurjaani.**

'I attended an *Enterprise in Georgia's Micro and Small Grants Programme* presentation at the *Women's Room* in Khelvachauri and I thought that this programme could help me with starting my own business. The *Women's Room* representative helped me to fill an application form for two projects: dried food production and opening a hostel. Luckily, both projects were financed and I have already opened the hostel and I am starting the dried food production from May 2019.' **Zaira Jibladze, from Makhinjauri Village, Khelvachauri municipality**