



ALCP | Alliances
Caucasus 2
REGIONAL MARKET ALLIANCES IN THE SOUTH CAUCASUS

ALLIANCES CAUCASUS 2
ANNUAL REPORT
JULY 1ST 2023 TO JUNE 30TH 2024



Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra

Swiss Agency for Development
and Cooperation SDC

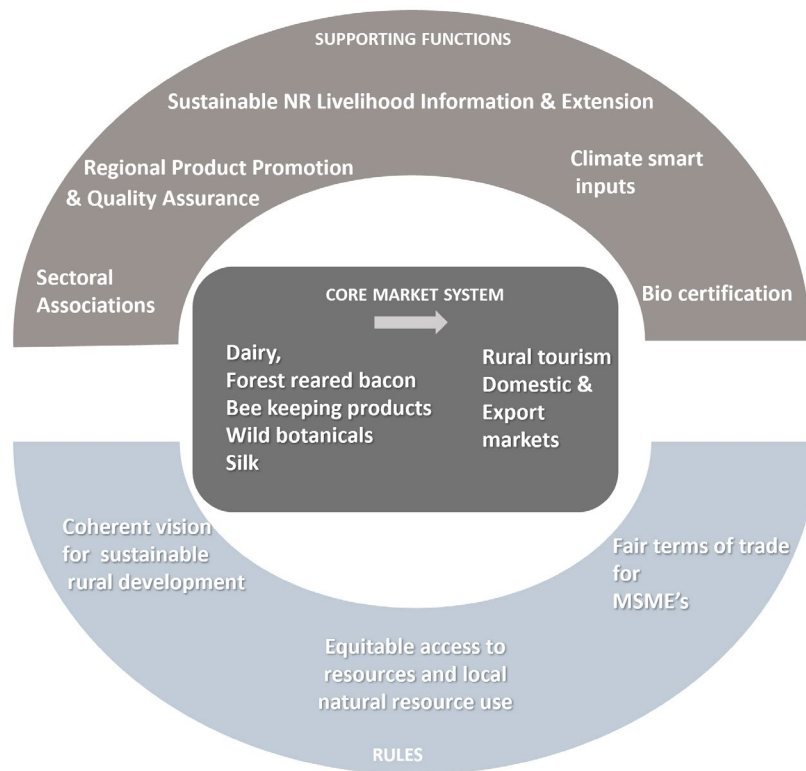
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Alliances Caucasus 2 runs from May 2022 to April 2026 with a budget of 6 million CHF. It is a market systems development programme funded by a consortium of donors, the Swiss Development Cooperation (SDC), Sweden and the Austrian Development Cooperation. It targets rural producers in Georgia, working in the rural product core market system and with associated supporting functions and rules. Its purpose is to increase incomes and improve livelihoods through better, sustainable productivity, resilient market access, local employment opportunities and more equitable inclusion in local natural resource use. Implemented through the lens of environmental sustainability and Gender Equality and Social Inclusion (GESI) it seeks to augment the lives of rural inhabitants through developing their knowledge of the value of rural resources and the potentiality of the environment in which they live. It will increase their participation in decision making concerning these resources and the availability of knowledge, inputs and skills to enable them to profit sustainably from them. It will tap into and further build a sustainable platform for rural producers to participate in added value, export and tourism markets.



Rural Producer Market System Diagram with Areas of Intervention

ALCP 2 utilizes extensive networks with all levels of the private sector, civil society and government. It works across Georgia in Kvemo Kartli, Samtskhe Javakheti, Ajara and Kakheti and includes a new focus on Western Georgia; Samegrelo, Guria, Racha and Imereti. It continues to promote regional trade and initiatives in information and equitable access to decision making between Georgia, Armenia and Azerbaijan. It incorporated in the first six months, a market research phase to deepen market research on new regions, value chains, key market actors and target group.



ALCP2 Operations and Outreach

Alliances¹ began in pilot form in 2008. It became a flagship market systems development programme, enshrining some of the most fundamental concepts of MSD within its own development, flexibility, adaptation to context, iterative results measurement, rigorous ongoing market intelligence, sensible resource use, in house capacity and commitment to inclusivity and sustainability. The ALCP2 builds on and utilizes over a decade of impact, experience, thought leadership and materials development. The Alliances Results Measurement System has been run according to DCED standards since 2011 and was audited twice. The ALCP2 Results Measurement system is built according to DCED standards and will be audited around the 24-month mark of the implementation phase.

¹ The Alliances programme, a market systems development programme working in the livestock market system in Georgia, was a Swiss Development Cooperation (SDC) project in cooperation with the Austrian Development Cooperation (from January 2020) implemented by Mercy Corps Georgia. It 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 as the Alliances Lesser Caucasus Programme, Alliances management, programming and operations were fully harmonized. The programme 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 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. Total scale half a million HH's, 1078 jobs, 56 million USD to farmers, businesses and employees. Export; 17 destination countries. See [Alliances Aggregated Results 2008-2021](#).

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LIST OF ABBREVIATIONS

ADA	Austrian Development Agency
ADC	Austrian Development Cooperation
AI	Artificial Insemination
AJ	Ajara
ALCP	Alliances Caucasus Programme
AMR	Animal Movement Route
BDS	Business Development Services
BEAM	Building Effective and Accessible market
BEAT	Business Environmental Audit Tool
BEC	Business and Economic Centre
BIG	Business Institute of Georgia
BSEA	Black Sea Eco Academy
CARM	Community Accountability Reporting Mechanisms
CBA	Cost-Benefit Analysis
CEDAW	Convention of the Elimination of Discrimination Against Women (UN)
CEDRIG	Climate Environment Disaster Risk Reduction Implementation Guidance
CENN	Caucasus Environmental NGO Network
CIS	Commonwealth of Independent States
CHF	Swiss Franc
CNF	Caucasus Nature Fund
CSR	Corporate Social Responsibility
DCED	Donor Committee for Enterprise Development
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)
ENPARD	European Neighbourhood Programme for Agriculture and Rural Development
EUAA	European Union Association Agreement
EU	European Union
FAO	Food and Agriculture Organization
FFI	Flora and Fauna International
FS&H	Food Safety and Hygiene
FSIB	Food Safety Inspection Body (Armenia)
GARB	Georgian Association of Regional Broadcasters
GBU	Georgian Beekeepers Union
GEL	Georgian Lira (currency)
GEDSI	Gender Equality, Diversity and Social Inclusion
GHG	Green House Gas
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
GMF	Georgian Milk Federation
GNTA	Georgian National Tourism Administration
GoG	Government of Georgia
GOST	Technical Standards maintained by EASC
GMP	Good Management Practice (FS&H assessment)
GMA	Georgian Marketing Agency
GMM	Georgian Milk Mark
GRETA	Green Economy: Sustainable Mountain Tourism and Organic Agriculture
GSA	Georgian Shepherds Association
GWC	Georgian Wool Company
HACCP	Hazard Analysis Critical Control Point
HH	Household
HoReCa	Hotel Restaurant Café
IAAD	International Association for Agricultural Development
IE	Individual Entrepreneur
IFAD	International Fund for Agricultural Development

IFC	International Finance Corporation
ILO	International Labour Organization
ISF	Investment Support Facility
IUCN	International Union for the Conservation of Nature
JBA	Jara Beekeepers Association
KK	Kvemo Kartli
LAG	Local Action Group
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
MFI	Micro-Finance Institution
MIA	Ministry of Internal Affairs in Georgia
MOU	Memorandum of Understanding
MENA	Middle East and North Africa
MEPA	Ministry of Environmental Protection and Agriculture
MOAA	Ministry of Agriculture Ajara
MRDI	Ministry for Regional Development and Infrastructure
MSA	Market Systems Approaches
MSD	Market Systems Development
MSME	Micro, Small and Medium Enterprise
NAIC	Net Attributable Income Change
NAITS	National Animal Identification Registration and Traceability System
NDC	Nationally Determined Contribution
NLA	National Agency for Sustainable Land Management and Land Usage Monitoring
NFA	National Food Agency
NNLA	Non-entrepreneurial Non-commercial Legal Entity
NNLP	Non-entrepreneurial Non-commercial Legal Person
OPA	Outside Programme Area
PPP	Public Private Partnership
RC's	Results Chains
RDA	Rural Development Agency
SDA	Strategic Development Agency
SCCSF	Support Centre for Civil Society Formation
SDC	Swiss Agency for Development and Cooperation
SDG	Sustainable Development Goals
SCO	Swiss Cooperation Office
SECO	State Secretariat for Economic Affairs
Sida	Swedish International Development Cooperation Agency
SJ	Samtskhe-Javakheti
SME	Small & Medium Enterprise
SPPA	Support Programme for Protected Areas (GFA Consultants Group)
SRCA	Scientific-Research Center of Agriculture
TJS	Transboundary Joint Secretariat (WWF)
TOR	Terms of Reference
TRACES	Trade Control and Export System
UK	United Kingdom
UNDP	United Nations Development Programme
USA	United States of America
USD	United States Dollar
WEE	Women's Economic Empowerment
WWF	World Wildlife Fund

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INTRODUCTION TO THE ALCP2 REPORT

The ALCP2 report aims to give a thorough overview of programme implementation including progress against targets. To keep the main body of the report concise, detailed information has been included in comprehensive annexes. For a full and in-depth picture of programme activity and impact it is necessary to read the annexes. They include a description of qualitative, systemic and undefined impact, a selection of stakeholder perspectives, a full breakdown of all investments made in the reporting period and varying short case studies, reports or infographics highlighting happenings of note within the reporting period in more depth than is possible in the main body of the report. The ALCP2 maintains an extensive library of all publications on www.alcp.ge

1. STRATEGIC PROGRAMME OVERVIEW

This section contains a summary overview of the programmes achievements and progress to date and indication of the likelihood of achieving its stated aims. It includes a description of main steering implications for the direction of the programme in the next reporting period and any major constraints to programme implementation. **Since the inception of the programme, ALCP2 clients have served a total of 15,247² rural households, with 60% of them already generating monetary benefits. In addition, the ALCP2 facilitated JRC reached a minimum of 164,136 rural inhabitants³ with climate related agri information.**

Purpose: Income increased, and livelihoods improved for rural producers due to better, sustainable productivity, resilient market access, local employment opportunities and more equitable inclusion in natural resource use.	
Purpose Level Indicators	Total estimated results (% Against Target)
# of smallholder farmers/ <i>rural producers</i> with increased incomes from agricultural production/ <i>natural resource-based livelihoods</i>	9,169 ⁱ (49% Women, 25% ethnic minority ⁱⁱ) (46% of targeted 20,000) <i>Ongoing⁴: 16%</i>
# of persons having new or better employment	164 FTE's (103 Women / 61 Men, 14% ethnicity) (109% of targeted 150) <i>Ongoing: 18%</i>
Increased income of rural households	11,385,387 GEL / 3,877,889 CHF (40% for Women, 32% for ethnic minorities) Indirect N/A (127% of targeted 9 million GEL / 2.8 million CHF, indirect income 1 million/0.3CHF) <i>Ongoing: 33%</i>
NAIC value generated by employees	1,846,196 GEL / 628,819 CHF (63% for women) (92% of targeted 2 million GEL / 0.6 million CHF) <i>Ongoing: 18%</i>
NAIC value generated for programme clients	3,474,999 GEL / 1,183,593 CHF (69% of targeted 5 million GEL / 1.6 CHF) <i>Ongoing: 38%</i>
NAIC value generated by crowding in entities	N/A ⁱⁱⁱ (1 million GEL / 0.3 million CHF)
NAIC value of MSME financing and public grants	1,956,094 GEL / 666,250 CHF ^{iv} (98% of targeted 2 million GEL / 0.6 million CHF)
% of rural inhabitants/producers with improved general sense of wellbeing/positivity going forward/inclusion	4,729/52% of ALCP2 beneficiaries ^v (target 20%).

² This is the figure for all interventions some of which have not yet registered or do not register income generation e.g. climate smart information, extension and services.

³ ALCP2 adjusted JRC scale for the programme's target population. JRC covered the Goderdzi Development Plan in programming on three regional TV channels (TV 25, TOK TV, and Agrogaremo TV) and reached around 421,000 people, out of whom 39% (164,136) are rural producers.

⁴ SDC requested data on what percentage of impact is based on interventions within sectors which were established under the previous Alliances programme. This is mainly dairies under the Georgian Milk Mark. I.e., New beneficiaries to dairies funded in previous phases who are benefitting from new sectoral facilitation of the GMM undertaken in the ALCP2.

1. *Programme Steering*: As agreed in the *Bi-Annual Report Steering Committee* (April, 2024), the ALCP2 is submitting a short justification, revised purpose and outcome level targets and a revised budget for the ALCP2 proposed one year cost extension which would see the project extended by an additional Year 5 from May 2026 to April 2027. It was noted in the Bi-Annual report that the ALCP2 was originally planned as a one phase, five year, 8 million CHF⁵ programme precisely because the team knew that new value chains, green programming and deep system change in complex functions such as sectoral associations would require that measure of time to ensure acceptable levels of sustainability. The additional year intends to ‘solidify vital sustainability functions and deepen impact, so that the supported entities in all programme sectors can progress safely and sustainably, going forward’. Proposed Additional investment of 300,000 CHF in the Investment Support Facility, half in Year 4 and half in Year 5 (as well as operational costs for Year 5) will be channelled predominantly into producer entities and some support functions in the lori, dairy, honey, silk and wild botanical sectors. Details of which are provided in the *Solidifying Sustainability: Justification for a One Year Cost Extension for the ALCP2* document to be submitted at the beginning of September. The total additional budget is 1,580,000 CHF. The submission is being delivered early, with no onus for incipient additional funding, to allow for discussion and decision amongst consortium members as to funding mechanisms.

2. *Results*: The results detailed in this report justify this additional investment. Multiple surveys and impact assessments⁶ were also conducted in 2024 proving the results shown in this annual report which has focussed on showcasing the elements which prove uptake and sector thickening, and which indicate that interventions are taking root, and that system change is being initiated. This is clearly shown in *Annex 1 System Change* where the first crowding in cases have been observed, *Annex 2 Progress Against Qualitative Logframe Indicators* which provides an in depth look into how behaviour change is being evinced within interventions, and *Annex 3* the simple but highly illuminating *Stakeholder Perspectives*, direct quotes from market actors in different sectors, representing their own viewpoints from within the market system. Results for income scale are on track following steady growth and reaching 46% of target⁷. A proportionate increase will be added for the Year 5 target. Other indicator targets which highlight the strength of quality, sustainability and depth of intervention benefits, including nearly all indicators for net additional income and employment are very close to being met or exceeded. These will be substantially increased for the additional Year 5.

3. *Operational Environment*: Following the disruption and worry caused by the introduction of the Law on Foreign influence from May this year, programme operations are mostly unaffected at the moment but the impact on the programme itself and its ability to function in terms of engaging with target market players going forward, is as yet unclear and much depends on how the law is implemented once in place. Please see *Evolution of the Context*. Programmatically it is impossible to ignore how the climate is increasingly affecting primary production across all the programme’s sectors, representing a huge risk to impact and underlining how vital climate adaptation is to rural producers.

4. *Operations*: The programme itself is very busy with coordination, linkages and learning, both national and international, as well as preparing for the DCED Audit/mid-term review which will be held in the week of November 11th, 2024. The programme is entering the extremely active implementation phase, where generating impact, measuring impact and using it to further inform interventions to augment more impact, has truly begun. This follows on from successful market research, planning and first phase intervention execution.

⁵ Funding and strategy cycles amongst consortium members made this unfeasible at the time.

⁶ See the introduction to Annex 2 and www.alcp.ge/ongoing-surveys-and-impact-assessments

⁷ One central discussion in the field of Green MSD, is the concept of a ‘trade off’ in scale against sustainability and climate related objectives. The value being built into sustainable interventions that necessarily generate scale more slowly will continue far beyond the end of the project and be of a multi-dimensional nature. Income scale is growing at a slower rate on the ALCP2 than some previous phases. García Parra, C (2023) Greening the MSD approach in agricultural programmes.

2. EVOLUTION OF THE CONTEXT (1 PAGE)

This section contains any major updates related to state institutions, state regulations, development programmes, economic changes or major internal and external events affecting the operating environment of the programme. It also describes any notable updates to the stakeholder analysis and any issues of note for policy dialogue at the donor level.

UPDATE TO THE OPERATIONAL ENVIRONMENT FOR THE REPORTING PERIOD

General: On December 14th, 2023, The European Council granted Georgia its long-awaited European Union membership candidate status, according to which Georgia will align new regulations to EU directives. However in May 2024 the government of Georgia approved the law on Transparency of Foreign Influence, which entered into force on August 1st 2024 and it is not as yet completely clear if this will impact the move towards the EU, with some negative rhetoric being employed by government representatives, around the time of the enactment of the new law, albeit more targeted at issues related to the perceived negative cultural influence of ‘European’ ideas⁸. None of the NGO/association programme clients who fall under the new law⁹ want to be labelled foreign influencers. However all, save perhaps the WR Union who are the most vulnerable as they are municipal employees and Momavlis Fermeri/Farmers of the Future, will register if they have to. After an initial period of worry, inflammatory news and rumours, things seem calm and there seems to be no impediment to the programmes on the ground operations with rural producers, private sector entities or with local, regional and national government agencies who are more concerned with upcoming elections in October. The impact on the programme itself and its ability to function in terms of engaging with target market players is unclear yet and much depends on how the law is implemented once in place.

An upcoming Law on Agriculture and Rural Development prepared by the Agrarian Committee with MEPA, which will define the terms ‘farm’ and ‘farmer’ seems to still be in process however there is no news about it currently. The law would lead to the creation of a register of farmers. Grant payments and monitoring of fund dispersal to farmers on the register will be overseen by the RDA in alignment with the EU system. The definition of farmers and farms is not yet clearly identified but is a pivotal issue, as farmers not in the register would be ineligible for grants. The programme facilitated the GMMF who cover about 13,000 small farming HH’s to become a member of the Georgian Farmer’s Association to ensue representation if and when laws are introduced. The Georgian Beekeepers Union who represent over 6,000 beekeepers are also a member of the Union.

Food Security: In 2024¹⁰, the exchange rate of the Georgian Lari (Gel) increased slightly, averaging 2.71 Gel to 1 USD compared to 2.62 Gel to 1 USD in 2023¹¹. The overall annual inflation rate was 2.2% in June¹² down from 3% in December 2023. Despite a 12.3% increase in transport prices, a 7.7% rise in restaurant and hotel prices, a 3.5% increase in alcohol and tobacco prices, and a 0.7% increase in food and non-alcoholic beverage prices, prices decreased for oils and fats, and bread and cereals. These trends demonstrate manageable inflation rates, providing a certain level of stability in food security for the population.

State Programmes: During the reporting period, the Rural Development Agency (RDA) launched several programmes¹³ for small, medium, and large farmers, as well as small and medium milk processing enterprises. However, many farmers and entrepreneurs were unable to put in an application as set budgets were quickly exhausted

⁸ In June a Law on Family Values and Protection of Non-Adults had its first reading, the bill prohibits same sex marriage, states that sex is only assigned at birth, male or female, seeks to prohibit LGBTQ ‘propaganda’ to protect children and ‘family’ values and prohibits gender reassignment surgery.

⁹ Sectoral Platform Farmer of Future (Sectoruli Platform Momavlis Fermeri), The Women’s Rooms Union (WRU), Georgian Beekeepers Union (GBU), the Business Institute of Georgia (BIG) unites and administers the Georgian Milk Mark (GMM), the Georgian Milk Mark Federation (GMMF) and Georgian Silk Association.

¹⁰ [Geostat.ge](https://geostat.ge)

¹¹ [exchange-rate](https://geostat.ge)

¹² [Geostat.ge, May 2024](https://geostat.ge).

¹³ [Preferential Agro Credit Programme, Dairy Modernization and Market Access Programme \(Dimma\), Co-financing of Processing and storage Enterprises, Co-financing Program for Agricultural Equipment \(Motoblock\) in Mountainous Regions](#)

on a first come first served basis, due to a large number of applicants, leading to the early closure of the dairy modernization programme. In June 2024, the Ministry of Agriculture of Ajara (MoAA) re-launched a Rural Entrepreneurship Development Promotion Programme for rural entrepreneurs including dairy, honey, and wild botanicals sectors. In February 2024, they also launched the Agricultural Unions and Rural Family Production Development Programme, to increase the competitiveness of farmers and facilitate the development of agricultural unions, co-financing farmers in animal husbandry and beekeeping by 5,000 Gel (70%) and 20,000 Gel for agricultural unions. Reported in detail in Outcome 1 the GBU worked with the RDA on a 3million Gel grant programme for co-financing beehives.

Climate Change: The honey harvest in 2024 was significantly better than the previous year. However, it is worth noting that the acacia honey harvest only improved slightly due to rainfall and temperature fluctuation as well as weakened colonies. Moreover, the poor harvest and adverse weather in 2023 significantly weakened bee colonies, leading to the spread of diseases in 2024, including the outbreak of Tropilaelaps mites in several areas of Western Georgia, marking the first occurrence of the disease in the country. It is believed that global warming is a factor in the spread of this highly dangerous disease with the mite more prevalent in higher temperatures. The disease is thought to have entered from Russia through the uncontrolled Abkhazia region.

Stakeholder Analysis: This reporting period continued to see a broadening of new stakeholders in new regions across Georgia. Under Outcome 1, Roki Ltd the veterinary inputs supplier, is working closely with thirty-three selected vet pharmacies across Georgia and three VET colleges to promote climate-smart inputs. Under Outcome 2, stakeholders include five new dairies and two new honey producer companies in Guria, Ajara Samtskhe-Javakheti and Kvemo Kartli, Bio Farming Association Elkana, twenty-two Rachuli Lori and one Kakhuri Vichina producers in Racha and Kakheti, Georgian -Swiss Intellectual Property Project (GESIP), the Ministry of Environment Protection and Agriculture of Georgia, The Embassy of Georgia to the United Kingdom of Great Britain and Northern Ireland, National Agency of State Property of Ministry of Economy, Enterprise Georgia, Governor of Kakheti and local self-government of Akhmeta, Kakheti Regional Information-Consultation Centre, Akhmeta Information-Consultation Centre, Georgian Silk Association Scientific-Research Centre of Agriculture of MEPA and The State Silk Museum. Under Outcome 3 stakeholders related to conservation, local government and natural resources include the Biodiversity and Forestry Department of MEPA, the Environmental Information and Education Center (EIEC), the National Environmental Agency the Agency of Protected Areas (APA), The Ministry of Finance and Economy of Ajara the Department of Tourism and Resorts of Ajara, Ajara Forestry Agency, Khulo Municipality City Hall, Goderdzi Friends, World Wildlife Fund (WWF), Journalism Resource Center and the Urban Development Institute.

3. PROGRAMME OUTCOMES, THEIR PROGRESS AND IMPLEMENTATION

In this section, the ongoing status and impact to date for the reporting period per outcome will be described with their outputs and a narrative description of implementation activities per intervention. The intervention description includes details of main ALCP2 transversal themes, GESI, climate change and governance. For additional information on programme implementation see *Annex 1 System Change, Annex 2 Progress Against Qualitative Targets Annex 3 Stakeholder Perspectives, Annex 4 List of Interventions* (including financial contribution), *Annex 5 The Evolution of Higher Functions in the Value Chain, Annex 6 The Creation of Traditional Rachuli Lori*.

OUTCOME 1 ACCESS TO CLIMATE SMART INPUTS, AGRI INFORMATION, EXTENSION AND FINANCING

Outcome 1: Rural producers increase profitability and sustainability due to access to target services and inputs.	
Outcome 1 Indicators	Total results (% Against Target)
# of smallholder farmers applying agro-ecological/sustainable farming practices	5,160 ^{vi} (14% Women, 9% ethnic minority) (52% of targeted 10,000) <i>Ongoing: 0%</i>
# and % of farm/rural households with increased crop, rural products and livestock productivity	4,245 and 82% ^{vii} (10%)
# of entities crowding in	2 ^{viii} (40% of targeted 5)
# of entities expanding their businesses	5 ^{ix} (50% of targeted 10)
# of sustainability advocacy initiatives	8 ^x (200% of targeted 4)
# of persons who consider that they are more resilient to deal with the adverse effects of climate change	4,746 ^{xi}
% of [targeted] rural producers actively using learned sustainable practices	80% ^{xii}
# of local entities introducing climate smart initiatives	48 ^{xiii} (320% of targeted 15)
Outputs	Indicators
1.1 Facilitated access to tailored agri-information and skills for rural producers and rural MSME's	7,508 ^{xiv} of consumers of information products that have agricultural and environmental content (1,041 Women, 662 ethnicity); Also, 164,136 rural inhabitants reached through the JRC. 23 ^{xv} of information channels with agricultural and environmental content Inc. newspapers/ TV programmes/ internet/ courses 13 ^{xvi} universities/ VET colleges integrating/augmenting agri/ environmental journalism/ VET study modules 208 (28% women) ^{xvii} of journalism university degrees/ VET certifications with agri/ environmental content gained through universities/VET colleges 599 ^{xviii} of knowledge transfer services (e.g. SMS's, video's) from industry association/member organizations to members 80-100% ^{xix} Rural producers' level of satisfaction with quality and applicability of facilitated content (qualitative)
1.2 Facilitated access to affordable climate smart sustainable technologies and production systems for rural producers and MSME's.	1,476 rural producers accessing target services & information (33% Women, 12% ethnicity) 4 ^{xx} of service providers &/or input suppliers with improved

	<p>business practices/acumen & outreach to rural markets</p> <p>Rural producers perception of usefulness of facilitated inputs (qualitative): Farmers and beekeepers have reported strong satisfaction with climate-smart inputs, including ROKI's vet medicines, climate adapted beehives and beeswax foundation</p>
<p>1.3 Facilitated access to financing, start-up funds and business support and compliance services (including environmental audits and planning) for rural producers and MSME's.</p>	<p>2,887,749 GEL / 983,574 CHF^{xxi} value of financing leveraged from external sources (women/men/youth)</p> <p>14^{xxii} MSME's leveraging funding from external sources to the programme e.g. IFI's, government schemes, NGO's, and RSMEDP</p> <p>129 women/youth rural businesses started</p> <p>11^{xxiii} enterprises supported with business development services (e.g. business management certifications; Food Safety and Hygiene, Environment & Health and Safety)</p> <p>85^{xxiv} jobs in new or developed financed enterprises (women/men/youth)</p>

OUTCOME 1 INTERVENTION ACTIVITIES (2 PAGES)

Interventions for Outcome 1 in climate-smart inputs, extension and information are very well underway with second phase expansion investment being prepared or proceeding in almost all interventions. Facilitation of access to funds through Women's Room Union initiatives and in collaboration with the SDC Rural Small & Medium Enterprises Development programme (RSMEDP) with their funding to the Georgian Milk Mark Federation (GMF) for BDS, have yielded considerable impact. Considerable effort has been dedicated to supporting the implementation of the Journalism Resource Centre, both in content creation and organisational mechanisms including reporting and accountability, under the partial action of the SDC's regional initiative, to bolster media content for rural producers reliant on agriculture and natural resources in Georgia, Armenia and Azerbaijan in the face of climate change.

Extension: In twelve municipalities, including two in Azerbaijani and two in Armenian communities, RDA ICCs have provided climate-smart extension to 360 farmers to adapt their livestock production to climate change, facilitated by *Momavlis Fermeri* (Farmers of the Future, NGO). Since December 2023, twelve [trained](#) extension specialists have conducted 30 [trainings](#), who found the sessions practical and beneficial. A new training manual, [Countering the Impact of Climate Change on Livestock Production in Georgia](#), was unveiled, covering heat and cold stress, disease management, and feed quality. This manual, authored by specialists from the Swiss Agricultural School Caucasus and ALCP2 experts, is now available in the Ministry of Environmental Protection and Agriculture's online library. Supporting training materials, including four [videos](#) and [flyers](#), were also produced. Notably, the Swiss Agricultural School has integrated the manual into their livestock training course. Despite successes, challenges inherent in the RDA ICC extension network such as weak farmer outreach, excessive bureaucracy, and resource limitations, affect service delivery. In addition to Momavlis Fermeri's work with the RDA, the programme plans to adopt a farmer-to-farmer model and actively involve community farmers to enhance information dissemination and expand reach beyond those trained by the RDA.

In the collaborative effort facilitated by the ALCP2 of the GBU, the Environmental Information and Education Centre (EIEC) and the Regional Development Agency, The Georgian Beekeepers Union (GBU) conducted 176 training sessions, serving 3,226 beekeepers throughout Georgia in this reporting period. 5,003 attendees have been trained since May 2022, among them 13% women and 8% Armenian and Azerbaijani beekeepers. To date, climate-related content has mainly been verbal or included in separate elements throughout the training. New specialized content for climate adapted beekeeping is being finalized and a module will be integrated into the trainings. The ALCP2 conducted a [Beekeeping Sector Impact Assessment](#) in March 2024 to check GBU impact. 80% of attendees (4002 beekeepers) have already applied the information received, resulting in a notable decrease in bee diseases and mortality rates (20%), increased productivity by 10% and 2,939 beekeepers, served by the GBU, increased income by 5.2 million Gel. As a result of six months of advocacy work by the GBU with the Ministry of Environmental

Protection and Agriculture (MEPA) and the RDA, a new grant programme for beekeepers was approved in July 2024. The 3,000,000 GEL programme, funded by the state budget will co-finance 50% (70 GEL) of the cost of a new climate-adapted beehive. The specifications for these hives were prepared by the GBU with the facilitation of the ALCP2, based on the designs of the two ALCP2 climate smart hive producers who are also GBU members. Beekeepers with 20 to 100 bee colonies will be eligible to receive co-funding for up to 100 climate-adapted hives. The new grant programme will commence in September 2024, alongside the GBU's training sessions for beekeepers, which will be financed by the Environmental Information and Education Centre (EIEC) of MEPA.

Outreach of Climate-targeted vet sales and services: During this reporting period, *Roki Ltd*, a veterinary input supplier, expanded its climate-targeted initiative to fifteen more vet pharmacies from an original eighteen, including three in Armenian and three in Azerbaijani communities. The company conducted training sessions, offered [discounts](#) on climate-smart products and provided information to customers of these pharmacies. Partnering with the Georgian Milk Mark Federation (GMMF) Roki is also connecting these pharmacies to GMM factories in their vicinity and conducting training for their milk suppliers. The company created and rolled out five comprehensive climate smart product packages addressing key climate-related production areas; heat stress, cold stress, increased mastitis, decreased productivity, and the need to boost immunity. They also developed complimentary training materials. Roki has conducted 11 training sessions for 248 farmers, distributed 22,000 leaflets and 50 posters, produced an animation on [Rumifos](#) the domestically produced prebiotic that is the foundation product of the packages, and set up climate-smart product stalls at the 33 vet pharmacies. Post-training assessments indicate that participants gained new knowledge and began using climate-smart inputs. The target is to engage around 5,000 farmers. 961 farmers have purchased climate smart inputs to date. Progress has been slow due to the significant behavioral changes required for farmers to adopt and apply climate-smart veterinary inputs. Initially, Roki, with its diverse product range, did not prioritize climate-smart products or deliver a cohesive message. However, the company now acknowledges the economic impact of climate change on feed availability, animal health, and productivity, which affects the company's profitability and has required climate change-related solutions to a central focus of its strategy, marketing and promotional efforts.

Climate Smart Beekeeping: Beehives: Both beehive producers, *Skalona* and *Apiguru*, successfully doubled their sales of climate-adapted beehives within the last twelve months and reached their production capacity limits. Phase 2 expansion phases are planned for both. To date, 340 beekeepers have purchased 7,312 hives. Skalona secured a major governmental supply contract, while Apiguru gained significant social media visibility from a feature on [Me Var Permeri](#) on Adjara TV, which garnered 146,000 views in April 2024. The companies enhanced their collaboration by agreeing to split an order of 2,000 hives for a new tender, optimizing their sales and production. They also worked with the GBU to develop climate-adapted beehive specifications for an RDA government support programme. Beekeepers are praising the hives for their quality, practical design, and effectiveness in various climates. Beekeepers are appreciating the hives' lightweight design, durability in harsh weather, and the use of high-quality, environmentally friendly materials. All interviewed beekeepers expressed their intention to continue purchasing and using these hives in the future due to their excellent performance and benefits.

Beeswax: IE Tamaz Ghlonti, the leading and only bio-beeswax producer for honey producers, has continued to grow since its launch in April 2023. The company processed 12 tonnes of beeswax into foundation for 345 beekeepers, in partnership with Apiguru the climate smart hive producer. Customers consistently praise the beeswax for its high quality, with an 80% wax content crucial for bee health and honey production. They highlight its cleanliness, ecological safety, and optimum size and weight, which aid in efficient honeycomb construction. The positive feedback reflects high client satisfaction and a strong intent to maintain their collaboration with Tamaz Ghlonti, underlining their trust in the product and the service.

Access to Funds: On June 21, 2024, the RSMEDP extended its grant agreement with the Georgian Milk Mark Federation (GMMF) until October 31st, 2024. From a total contribution 58,375 GEL (with an additional GMMF co-investment of 14,098 GEL or 19%), the federation disbursed a total of 23,656 GEL. 34,719 Gel will be disbursed in the extended period. The renewed and final agreement will be allocated to several key areas: a promotional campaign for the GMMF website, accounting and financial auditing services, health, safety, and environmental assessments,

food safety and hygiene (HACCP) compliance, digital and social media marketing, and salaries for the GMMF executive director and consultant. Forty-nine women received small grants for business startups from various sources through the Women's Rooms, including from municipal budgets, the Micro & Small Grants Programme of Enterprise Georgia, the IDPs Agency, and the Office of the State Minister for Reconciliation and Civic Equality. A total of 1.1 million Gel was disbursed for MSME's and start-ups, resulting in the creation of 129 jobs. Additionally, twenty-three women-led community initiatives received funding from municipalities, totalling 313,000 Gel, facilitated through village meetings.

Services to Vulnerable Groups: Women's Rooms (WRs) continue to serve as primary channels for Gender Equality and Social Inclusion (GESI) initiatives. In the reporting period, six female survivors of domestic violence in Signagi municipality received 30,000 Gel for educational courses and business startups through the assistance of WR's. In Akhmeta and Zugdidi municipalities, four IDP women received 16,000 Gel in small grants via the Women's Room. The Women's Room in Khulo supported disabled children by funding their treatment in wellness resorts. Throughout December, all Women's Rooms participated in a sixteen-day information campaign against violence towards women. Lagodekhi Women's Room advocated for the allocation of 500 Gel per victim of violence. In the reporting period, the Women's Rooms network served 2,787 ethnic minority representatives in Armenian and Azerbaijani communities, out of whom 795 received individual consultations and 1,992 participated in the training sessions organized by the Women's Rooms. Municipal Women's Rooms also ensure that rural women, especially the socially vulnerable and disabled, are included in community meetings and in decision making on infrastructure projects funded by local budgets, including the renovation of kindergartens and water systems, street lighting and waste management. Data will be available at the end of 2024. The Women's Rooms in Telavi and Zugdidi helped 185 socially vulnerable citizens to find a job. Ajara Women's Rooms (Khulo, Keda, Shuakhevi) implemented women's economic empowerment local grant programmes where socially vulnerable women, single mothers, persons with disabilities were prioritized for small grants for micro enterprises and business ideas.

Journalism Resource Centre (JRC): ALCP2 made significant efforts to enhance JRC's reporting to SDC by providing feedback and developing a reporting template. This template was crafted to align with their log frame. The ALCP2 ensured that progress against targets, challenges, and ongoing aspects of project implementation were thoroughly documented and evidenced in annexes. Furthermore, the programme is playing a crucial role in integrating climate-smart content into the upcoming *Climate-Smart Communication and Reporting Module* for universities and journalists. This included introducing climate-smart practices in livestock and beekeeping, introducing and showcasing newly established sectors such as sericulture, wild botanicals, and Lori production, and highlighting the importance of the Georgian Milk Mark for environmental social and financial sustainability. The programme also focused on enhancing local citizen engagement in environmental decision-making, facilitating the JRC's awareness of developments concerning the Goderdzi development plan, and supporting its involvement in the Goderdzi Friends initiative. Over six months, four partner news channels, under the guidance of the JRC, independently produced 19 media reports on these topics, reaching 164,136 rural inhabitants from a total of 5000,000 viewers. Support will continue for the JRC, with a key focus on accountability in terms of documentation, recording and laying the foundation for results measurement as well as integrating JRC's extensive outreach in crucial ALCP2 interventions concerning climate change impacts on rural producers and rural citizens' rights.

Outcome 2: Sustainable and diversified MSMEs provide more reliable, value-added market access to rural producers.	
Outcome 2 Indicators	Total results
# of farmers/rural producers integrated into diversified value chains and markets	3,944 (65% Women, 43% ethnic minority) (56% of targeted 7,000) <i>Ongoing: 37%</i>
# of entities crowding in	3 ^{xxv} (60% of targeted 5)
# of entities expanding their businesses	19 ^{xxvi} (190% of targeted 10)
# of sustainability advocacy initiatives	14 ^{xxvii} (175% of targeted 8)
Value of exported products: (Cross border & other countries)	5,375,525 GEL / 1,830,916 CHF ^{xxviii} (108% of targeted 5 million GEL / 1.6 million CHF)
Number of MSME's with access to value added and diversified markets (i.e. Bio certified, quality assurance, regional brand, diversified products)	39 ^{xxix} (325% of targeted 12)
% of rural producers' with increased satisfaction with improved access to reliable value-added markets (<i>qualitative</i>):	Beekeepers have resolved honey sales issues, dairy suppliers are satisfied with pricing and payment, and forest-reared pig producers are seeing increased demand and higher prices .
Outputs	Indicators
2.1. Increased sustainability, self-representation, empowerment and advocacy for equitable terms of trade by rural producer member associations.	24 ^{xxx} of retailers making positive changes to sourcing, purchasing and marketing/sales practice 16 ^{xxxi} of suppliers with more positive experience of supply/sales 9 ^{xxxii} of desired objectives reached by advocacy initiatives 5,151 ^{xxxiii} of services provided to members 93% ^{xxxiv} increase in paying members 80-100% ^{xxxv} of members and perception of improved sense of representation and empowerment (%/qualitative)
2.2. Increased value addition to rural products through enhanced image and promotion of Georgian regions, regional and national products.	2 ^{xxxvi} regional products developed 1 ^{xxxvii} of products with enhanced value addition 1 ^{xxxviii} of breeds with enhanced image and recognition 8 ^{xxxix} promotion initiatives Producers and entities' perceptions of product image (<i>qualitative</i>): 87% of GMM dairies benefit from business growth, 53% access value-added markets, and Lori's renewal is boosting sales
2.3. Facilitated access to affordable certification (e.g. bio) and quality assurance (e.g. GMM) for rural producers and MSME's	12 ^{xl} MSME's gaining certification (e.g. Bio) 688 rural producers supply to certified MSME's 1,174,730 GEL Value of sales of certified MSME's (e.g. Bio) Perceived benefit of attainment of certification (<i>qualitative</i>): Certification has led to 63 new jobs at GMM dairies and resolved sales issues for JBA honey producers
2.4. Increased volume and value-added MSME production of diversified rural products	41 ^{xli} MSMEs with increased capacity/utilization of value-added meat, milk, honey, wool and other rural raw materials e.g. silk, wild flora, bee products, queen bees

	3,898 (1,474 <i>ongoing</i>) rural producers supplying supported entities (Women/Men) and gaining access to diversified markets
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OUTCOME 2 INTERVENTION ACTIVITIES (2 PAGES)

This reporting period saw active implementation deepen and commence in all sectors under Outcome 2: dairy, honey, Lori (bacon), wild botanicals and silk as illustrated by the percentage of scale derived from ‘ongoing’ interventions decreasing significantly from the last annual report. (37% compared to 67% a year ago and 45% in the bi-annual report).

Dairy: In the reporting period, the *Georgian Milk Mark Federation (GMMF)* reached a significant milestone. On May 20th, 2024, it joined the Advisory Council of the Agrarian Issues Committee, ensuring advocacy for member dairies and their milk supplier farmers in upcoming laws affecting farming. The GMMF also became part of the Farmers’ Council within the Georgian Farmers Association (GFA) and VET Agrodo¹⁴ NGO. The Federation increased the number of members from forty-one to fifty and built strong connections among its members¹⁵, enhancing its advocacy effort against unfair competition between registered and non-registered dairies using milk powder. In June, the federation in its first official advocacy meeting with the NFA and MEPA, confidently without any programme backing, represented a strong and cohesive position to protect the interest of raw milk processors in regards to control of unregistered dairies. *see www.gmmf.ge*. In June 2024, the RSMEDP extended its grant agreement with the GMMF to continue the provision of services to its members. *Please see Access to Funds in Outcome 1.*

Unfair Trade: In June 2024, the Georgian Competition and Consumer Agency started FMCG (Fast-Moving Consumer Goods) market research to assess the existing market, to see if some companies are dominating, or abusing their power, and provide recommendations. This links directly with the ALCP2’s work on fair terms of trade for dairies with supermarkets. Therefore cooperation between GMMF and the J & T Legal Consulting Company¹⁶ who originally worked on the fair terms of trade between supermarkets and dairies, has been renewed and communication commenced with the Georgian Competition and Consumer Agency.

The Business Institute of Georgia (BIG) which administers the mark, now has twenty-eight Georgian Milk Mark (GMM) dairies with permission to use the mark, of whom twenty-three have incorporated the mark on their labels. Twenty-two dairies have applications in process. In the reporting period, BIG was focused on increasing the number of GMM dairies to reach the break-even point of 30 dairies regularly paying to use the mark. Twenty-three are currently paying with five expected to come online in the next reporting period.

Honey Sector Associations: The Georgian Beekeepers Union (GBU) has shown significant growth and organizational sustainability since its inception six years ago. With 44 members, an increase of 300% since the Unions inception, the GBU has enhanced its income¹⁷ by 53% in the reporting period and 960% (more than ten times) since the organisational strengthening intervention began in 2022. With commercialized training and service offerings, including consultations, training sessions, festival information, and export opportunities. They have adopted Customer Relationship Management (CRM) software to manage member communications and have registered 665 apiaries for the NAITS programme. The GBU is a member of MEPA’s Agrarian Education Committee and Agro Duo and has trained 625 beekeepers in 2024 through a service contract with the Georgian Farmers Association. They organized the [Batumi Honey Festival](#) in August 2023 and celebrated and promoted [World Bee Day](#) on May 20, 2024 in Mukhuri. In response to a parasitic mite alert, the GBU quickly informed beekeepers and coordinated with the

¹⁴ Vocational Education and Training (VET) Department/arm of the GFA

¹⁵ See [GMMF Member Survey](#) for full details.

¹⁶ J & T Legal Consulting Company developed a draft law for addressing unfair trade practices with supermarkets

¹⁷ GBU income has become more diverse and reached 58,710 GEL in the last year months compared to 38,282 GEL total income for the previous twelve months (May 2022 - June 2023). 92% of the income came from paid trainings, 6% from membership fees (a threefold rise from 2022), 1% from Batumi Honey Festival profits and 1% from other paid services.

NFA. Their advocacy with MEPA and RDA has led to a new 3,000,000 GEL grant program for beekeepers for co-financing for climate smart hives, starting in September 2024. The GBU, facilitated by the ALCP2, is researching Georgian honey characteristics through pollen analysis to boost export opportunities. In May, seven GBU member companies won multiple awards at the [London International Honey Awards 2024](#).

The Jara Beekeepers Association (JBA): Georgian Wild Jara honey, presented by Japanese importer company MYM International Co Ltd with a new label *Noble*, obtained a silver award in quality and packaging categories at London International Honey Awards 2024. JBA is continuing its fourth year of export to Japan for MYM and will bottle the next batch in 100 and 300g glass jars and honey sticks as requested by the importer. The JBA sent two batches of around 100 kg's of bio-Jara honey to *Tapli & Co* who are trying to open a new market for Jara honey in the USA. The interest of European beekeepers and academics in traditional Jara beekeeping is continuing to increase. In May 2024, the JBA hosted a German Bio Tour led by [Heinz Gengenbach](#)¹⁸ and planned two more visits for Autumn 2024. The ALCP2 facilitated the JBA with the help of Elkana, to receive Bio certification for 29 members for 2023 albeit with conditions¹⁹. The JBA has printed the first beeswax foundation from bio-Jara hive wax at the ALCP2 facilitated Tamaz Ghlonti beeswax processing unit. Previously, they couldn't trust ordinary beeswax facilities not to contaminate the foundation. Twenty Jara producers are currently under bio conversion for their frame hives. Caucascert will inspect the Tamazi Ghlonti beeswax processing unit for bio certification in October, 2024, which will make bio certified beeswax foundation available from spring for beekeepers throughout Georgia. Interest in Jara beekeeping is rising with 40% of VET college alumni and students interested in producing Jara honey after studying an integrated Jara module, according to the [Jara in VET Impact Assessment](#) conducted by ALCP2 in May 2024, a result of programme work with GBU, JBA and VET colleges throughout Georgia.

Honey Production: ApiGeo Ltd has significantly boosted its laboratory capacity with new AI-powered equipment and increased its aggregation capacity with newly constructed storage. See Annex 5. However, their main partner, Naturalim France Miel, lost a major client, impacting order volumes and pricing, making them unprofitable for ApiGeo to deal with. ApiGeo is adapting by diversifying its markets and focusing on new markets such as the US. The company developed a new product catalogue and registered its facility in the US Food and Drug Administration (FDA) database. With ALCP2 facilitation, *Royal Honey Ltd* established a HACCP system and received recognition from the NFA, resulting in export of 2.1 tonnes of spring and linden honey to Iraq with a repeat order in prospect. ALCP2 second phase finance helped the company diversify its product range to include raspberry and strawberry jams and optimize usage of the factory. In April 2024, Royal Honey made a 90,000 USD investment in an office and storage building in Tbilisi, reducing current rental costs. *Tapli Sakhlshi Ltd* continues construction of its new factory while enhancing the production and distribution of its products in the domestic market using equipment and transport co-financed by the ALCP2. The company obtained a 210,000 GEL loan investment and expect to be operational in the new factory by the end of this year. The first batch of four types of creamed honey was successfully bottled by *Meg Honey Ltd* and is being sold in speciality shops. The company's founders are negotiating a 350,000 USD loan for the construction of a new honey factory in Surebi, Guria²⁰, which will also provide apitherapy services to tourists. With ALCP2 facilitation, four Georgian honey companies²¹ received Individual Expo Grants from Enterprise Georgia covering 90% of their exhibition costs in total £14,340.60 to participate in the [Speciality & Fine Food Fair](#) in London in September as part of the ALCP2 facilitated honey study tour.

Lori: In the reporting period, the ALCP2 programme co-financed an additional fifteen Lori producers to upgrade their processing, smoking, and storage infrastructure, in total twenty-two Lori producers will produce Traditional Rachuli Lori in upgraded facilities in 2024, following excellent feedback from the first seven see Annex 2. The registration of the Geographical Indication specifications for Traditional Rachuli Lori (traditional forest reared bacon) with the National Intellectual Property Center of Georgia (Sakpatenti) is still ongoing following several coordination

18 a German agroecology specialist, after coming across Jara honey at BIOFACH 2023 in Nuremberg

19 The JBA will be allowed to sell 2023 harvest as bio certified after the next audit is conducted in autumn 2024 by Caucascert and the compliance to the JBA bio certification group internal control system is proved.

20 Gorge in Chokhatauri Municipality, Guria, historically famous for its honey

21 ApiGeo Ltd, Royal Honey Ltd, Taplikatsi LLC, Rukhi Queen LLC

meetings between Lori producers and the Georgian-Swiss Intellectual Property Project (GESIP) facilitated by the ALCP2. The primary goal of these meetings was to clarify the standards whilst contextualizing them within the realities of the operational environment. These meetings have enhanced collaboration among producers, strengthened their commitment to protecting their regional heritage, and unified their advocacy efforts. The producers have now expressed their intention to form a Lori Producers Association which could form a regulatory body for controlling the GI production standards and the ALCP2 is ready to facilitate this. For overview of the intervention so far see *see Annex 6*. Additionally, the ALCP2 signed a contract in April 2024 with a Kakhuri Shashkhi producer to supply their popular chain of Zodiac Restaurants. and construction is underway, with Geographic Indication specifications for Kakhuri Shashkhi (traditional Kakhetian forest reared bacon) also in the process of registration with Sakpatenti.

Wild Botanicals: ALCP2 facilitation has allowed *Noma Ltd* to increase their outreach to rural areas, where local rural pickers were unable to collect and sell wild botanicals²² due to difficult mountainous terrain, reducing transaction costs for local rural pickers. The company has also significantly expanded its scale, increasing the number of rural pickers by 52%, the total volume of collection by 62%, the amount paid to rural pickers by 147%, and hiring five additional employees in the processing facility in collection season of 2023, while also boosting export compared to the previous season. The company finished major construction works for expanding its processing facility and soon will start implementing HACCP, which will allow *Noma* to sell directly to the EU and at better prices. In 2024, the company exported wild botanicals of 146,696 Gel, and in 2024 has already collected 32 tons of Dwarf Everlast, double compared to the same period in 2023. With ALCP2 facilitation, *Sunelis Sakhli Ltd* expanded to rural areas, quadrupling suppliers and boosting collection volume by 95% in 2023, with further growth anticipated in 2024. The company broadened its product range from fifteen to twenty-five spices, increased prices²³ paid to rural pickers, and improved sales by 30%, due to rising demand locally produced products and entry into premium markets. Full-time staff increased from eight to eleven. ALCP2 co-finance enhanced their confidence, promoting more diverse plant collection and further expansion, including facility upgrades and sales growth to new and more formalized markets. Higher production of Georgian produced herbs and spices has led to a 26% rise in product prices²⁴ as many herb and spice retail companies in Georgia now wish to sell locally sourced herbs and spices. *Sunelis Sakhli* also exported 11.5 tons of spices to Armenia enabled by higher production volumes as well as their confidence in their new facility. *BLG*, a mulberry processing enterprise in Tmogvi, Samstkhe Javakheti, has acquired 1.8 tons of mulberries from rural producers and will continue collection of over 3 tonnes until September, an increase of 50% on the baseline. At present the company is focused on storing semi-processed mulberries and will proceed to implement business development following the cessation caused by the disastrous destruction of the crop last year due to weather conditions. The programme is also working on producing *Sustainable Picking Guidelines* for the suppliers to these companies, simple illustrated guides based on climate adapted conservation principles, which will be finalized in the next reporting period.

Silk: After a Silk Advisory Committee meeting in December 2023, the programme continued discussions with local and regional government in Kakheti concerning the old silk drying facility and the creation of a Silk Centre in Akhmeta. However the discussion is currently on hold due to the local and regional government not wanting to take on the centre and the Ministry of Economy is only prepared to transfer it to a governmental agency. Ultimately this means local government needs to be persuaded that there is a viable entity to whom they could immediately transfer the property. In March 2024 with ALCP2 facilitation, fifteen women formed a silk farmers initiative group, based on which they then registered the Georgian Silk Association in June at their own instigation. The programme also contacted the EU Arachne project, dedicated to preserving the cultural heritage of European silk production in seven countries with eleven partners in those countries of which the Tbilisi State Silk Museum is one. Representatives of the museum visited the facility and silk association members to discuss whether they thought the building and proposed centre could be a centre for silk in Georgia.

22 Dwarf Everlast, Rose hip, Eucalyptus leaves and Bilberry

23 During the reporting period, the company paid rural pickers significantly more for raw wild botanicals: 7.40 GEL more per kilogram, with specific increases for coriander seeds (1.30 GEL), pepper (3.70 GEL), oregano (2 GEL), basil (4 GEL), yellow flower (16 GEL), and foreign spice grains (17.50 GEL).

24 Supply in larger volumes meant that he could supply to larger companies demanding more products produced in Georgia which retail for a higher price and are replacing imported herbs and spices.

The second round of silkworm rearing started in May, ten families, an increase of six from 2023 and a local school were involved in growing fifty grams of eggs [provided by the Sericulture Laboratory](#) of MEPA which also [conducted a training](#) for the silk farmers. However it seems the eggs were not suitable for farming²⁵ and the crop was almost entirely decimated due to disease and unfavourable weather conditions (heavy rains, rapid changes in temperature). The programme managed to then source a small amount, 5 grams from a private supplier²⁶ and farmers harvested 20kg of cocoons in June. With the unsuitability of the Sericulture Laboratories' eggs now apparent through field trial, it is clear that appropriate eggs should be imported for next year's production as setbacks such as those encountered this year significantly damage producer confidence and enthusiasm. The Sericulture Laboratory then gifted 40kg of silk cocoons to the association as a form of recompense.

It is clear from the activities so far that the private sector offers the best bet for regenerating a silk market in Georgia. The programme contacted interested parties for generating sales, a pre-order list was compiled and in total 20 kg of cocoons have been sold by the Association, to two VET colleges, three artisan handmade cosmetics companies and the State Silk Museum. The association is now creating a Facebook page to promote further sales. Interest in silk remains enormous. Agrogaremo TV (working with the JRC) made five [video reports on the silk production](#) which had 1.4 million views in total and thousands of positive comments on Facebook, and more than thirty persons from different regions contacted the Silk Association wanting to rear silkworms next year.

OUTCOME 3 EQUITABLE ACCESS TO LOCAL NATURAL RESOURCE USE

Outcome 3: Local institutions provide improved access to more equitable local decision making and agency over natural resource use for rural producers	
Outcome 3 Indicators	Total results (% Against Target)
# of rural producers with improved equitable access to local decision making and agency over NR use	164,536 ^{xlii} (52% Women, 17% ethnicity) (3,283 of targeted 5,000)
# of local institutions providing improved access to local decision making and agency over NRM and use	3 ^{xliii} (30% of targeted 10)
# of entities crowding in	1 ^{xliv} (20% of targeted 5)
# local entities expanding their businesses	15 ^{xlv} (150% of targeted 10)
# of sustainability advocacy initiatives	6 ^{xlvi} (75% of targeted 8)
% of rural producers' and local MSME's with increased level of satisfaction with inclusive local decision making concerning local natural resource use(<i>qualitative</i>)	JRC's media coverage improved local engagement in the Goderdzi plan, while AgroGaremo TV's sericulture series, emphasizing resource protection, reached 1.4 million views.
Proportion of women with a positive perception of their influence on business and economic-related decision-making	52% ^{xlvii}

²⁵ The sericulture laboratory of MEPA, is the main and only source of silkworms eggs in Georgia in a large amount. However they produce pure strains of up to 70 indigenous silk worm varieties which it seems are not resistant to disease or hardy enough to use for farming. It seems certified i.e tested hybrids would have to be produced which were hardy enough to be used in a non controlled environment.

²⁶ Two people in Georgia produce eggs at home.

Outputs	Indicators
3.1 Increased informed, equitable participation in local natural resource use initiatives.	164,536 ^{xlvi} of rural producers with increased knowledge of local natural resource use and management 2 ^{xlvi} of more inclusive local natural resource-based initiatives 27,500 ^l of rural producers benefitting from inclusive community initiatives Rural producers' sense of empowerment (<i>qualitative</i>): A Khulo resident formed a group and secured a \$10,000 USAID grant to raise awareness about the Goderdzi Pass
3.2. Facilitated access to resources and opportunities afforded by local rural hubs.	4,873 (4,429 women) of rural inhabitants with increased access to resources derived through rural hubs ^{li} 1,108 ^{lii} outreach events e.g. trainings, seminars, open days, for local residents and invited visitors 34 ^{liii} of improved linkages public/private with rural hubs 20,145 (14,364 women) visitors/users/accessing services of rural hubs. 23 initiatives of value (313,000 GEL / 107,276 CHF) women/men/youth instigated community/livelihood related initiatives ^{liv} Perceived benefit to rural producers of these linkages (<i>qualitative</i>): Beneficiaries appreciated the Women's Rooms for linking them to funding and donors for 15 natural resource projects
3.3. Increased cohesion and purpose of Caucasus region conservation and environment stakeholders.	3 ^{lv} of regional environmental and sustainable rural development initiatives 3 ^{lvi} # of desired objectives reached by environment and sustainable rural development initiatives 5 ^{lvii} of joint/regional education, knowledge exchange and awareness raising activities on sustainable development and climate change

OUTCOME 3 INTERVENTION ACTIVITIES (2 PAGES)

Work in Outcome 3 became more focussed and thickened in the reporting period with the first instances of system change becoming apparent. It is clear that Ajara is becoming a proving ground for local engagement for more sustainable local development. It is focussed currently on Goderdzi but the model can also be applied to other local governments with environmentally strategic hotspots such as Chirukhi in Shuakhevi. Also the development of and contact with other environmental citizens' rights groups is a good indicator of system change in this area. The additional impact of reporting by the JRC and local channels is an important influencing factor.

Sustainable local development and Citizens Environmental Agency: From August 2023 to date, the ALCP2 facilitated initiative group, *Goderdzi Friends* has been actively involved in trying to limit the damage from the proposed government instituted Goderdzi Pass Development Master Plan. In the reporting period both documents were amended based on the Goderdzi Friends recommendations²⁷. On 26th of July 2024, Khulo Municipality Sakrebulo approved the Goderdzi Pass Development Master Plan. This plan is now being reviewed by Goderdzi Friends to see which recommendations were taken into consideration in the final Master Plan. Advocacy will continue based on the review findings and the group are ready to issue additional recommendations to ensure their strong recommendation

²⁷ Developed as a result of document review, site visits and attendance at the public hearing held in Khulo City Hall and including forest management, hydrology, access to water for locals, geology, disaster risk management, impact on nature landscape, impact of climate change and mitigation strategy and waste management.

to start the development with improvements to the existing sprawl of Beshumi rather than the pristine and unstable slopes at the top of the pass. The Goderdzi Alpine Garden itself is going strong with 22,000 visitors this summer.

Goderdzi Friends established linkages with another active initiative group *Save Bakhmaro* (who are trying to limit development damage to the environment in Bakhmaro) and they are now helping each other with expertise and experience sharing. The programme facilitated Khulo City Hall and The Ministry of Finance and Economy of Ajara to improve public participation in the Master Plan review session, involving Goderdzi Friends and young local citizens in the advocacy process. This has led to increased local awareness of environmental issues and increased motivation to participate in decision making process and resulted in creating a local initiative group [Khulo and Its Perspectives](#). The ALCP2 facilitated the group founder to obtain a USAID civil society engagement grant in June 2024. They have already started awareness raising activities among local citizens by informing them about the Goderdzi Pass Development Master Plan content and its potential impact on locals, with the involvement of members of Goderdzi Friends²⁸ and local TOK TV which is reporting on [Goderdzi Pass development](#). The ALCP2 is also working with an independent environmental justice expert to develop a brochure on citizen's environmental rights which will be disseminated through the Women's Rooms network and other rural hubs nationally.

Protection of Goderdzi Alpine Garden: The illegal development begun adjacent to the garden has been stopped²⁹. The forest that surrounds the garden represents a subalpine forest ecosystem that sustains and forms a natural ecological 'buffer' protecting the biodiversity of the garden itself. Currently the inexistence of law on botanical gardens and buffer zones around them makes it impossible to create a buffer zone with legal status. Consultations were held with Goderdzi Friends, Ajara Forestry Agency and the Biodiversity and Forestry Department of MEPA discussing options for protecting the zone under existing legal mechanisms, deciding on the designation **Protected Forest Category status under the Forest Code of Georgia** as the best option on which to proceed. Goderdzi Friends are now preparing a letter to the Forest Agency of Ajara asking for this status to be granted and which will allow the process to be initiated.

Biodiversity Data Supporting Value Creation: The programme facilitated biodiversity research to create a new [Biodiversity Map for Ajara](#). The map shows areas of high conservation value (including rare plant populations and protected areas, actual and proposed) in Ajara. The work has identified thirty-one high conservation value areas in mountainous Ajara (Khulo, Shuakhevi, Keda) that need to be preserved to prevent their destruction from erratic, unplanned and unregulated developments. Seven of these areas fall into the area proposed for creating a Protected Landscape in mountainous Ajara and another of the high conservation value areas is the forest around the Goderdzi Alpine Garden.

Rural Hubs: The Women's Rooms Union (WRU) is enhancing its organizational capacity and sustainability to support rural women and youth in business start-ups and job creation through the network of thirty-two Women's Rooms. In the reporting period the WRU updated its statute, re-registered in the Public Register System, expanded its board, and hired an HR specialist and a fund-raiser. They received grants of €10,000 from the Women's Fund in Georgia to develop recommendations for local governments on how to prevent violence against women (November 2023) and \$20,000 from the U.S. Embassy to improve cyber-hygiene and personal data protection for rural women (May 2024). The Union signed an MoU with MC Georgia's Safe Online project in July to combat gender-based violence and empower women digitally. Three municipalities in Samegrelo expressed interest in creating Women's Rooms, and the WRU is currently supporting and co-financing the establishment of the 33rd Women's Room in Martvili municipality to be opened in October 2024. The WRU held informational meetings in four municipalities on environmental and eco-efficient issues in cooperation with Ecovision NGO, reaching a hundred citizens and 300 school children. The Women's Rooms supported fifteen women business start-ups with a focus on natural resource use, e.g. creation of plant nurseries, rural eco-tourism, agriculture. However the Union has been undermined by the

²⁸ Ana Bibilashvili, Architect, Urban Development Institute and Giorgi Beridze, Geologist, CENN

²⁹ In response to the ALCP2 letter sent to Batumi Mayor, Khulo Mayor, Ministers of Finance and Economy and Agriculture of Ajara and the Forest Agency of Ajara proposing the protection of the forest around GAG by creating a Natural-Landscape Territory (buffer zone), Ajara Forest Agency started procedures to cancel the lease agreement and Khulo City Hall stopped the illegal construction

new foreign influence law, the WRU feels that as government employees they are particularly vulnerable and are waiting to see how things develop in terms of other local NGO's and the registration process.

Following the Annual General Meeting organized by the WRU in Tskaltubo December 12-14th, most of the individual Women's Rooms performed well. The adoption of the foreign influence law has affected their cooperation with the NGO sector but the rooms continued to function as rural hubs especially in remote areas for parts of the population which often go underserved. During the reporting period, the Women's Rooms network gave 14,060 individual consultations (64% women and 36% men) and conducted or hosted 266 information meetings and 245 trainings with a total number of 9,042 participants out of whom 88% were women. Thirty governmental and non-governmental organizations³⁰ have worked with the Women's Rooms during the last year to reach their target audiences.

4. FINANCES AND OPERATIONS

In this section the status of the spending of the implementation budget, any significant budget deviations, the pattern of spending outputs and team management and human resources are discussed for the reporting period.

IMPLEMENTATION BUDGET STATUS UPDATE

No major budget deviations have occurred in the reporting period. Spending is consistent with the point of programme implementation, that is 26 months or 54.2% of programme implementation. The DCED audit in November will be taken from and spend the majority of the Technical sub-contractors line. A great deal of spending was undertaken in August outside the reporting period in the Lori and Dairy sectors, funding producer entities.

Table 1: Investment Support Facility and Technical Contractors (including DCED Audit) Budget Funds and Spending Percentages

ALCP Support Facilities (CHF)	Total Budget from May 2022	Funds remaining December 31 st , 2023	Funds Remaining June 30 th 2024
Alliances Investment Support Facility	1,250,000	759,580 CHF (39% spent)	613,221 (51 % spent)
Technical Sub-Contractors	55,000	41,534 CHF (24% spent)	38,450 (30% spent)

DESCRIPTION OF SPENDING OUTPUTS

This reporting period saw an intensive period of programme facilitation. The ALCP2 invested in three honey and five dairy entities, seven Lori producers, one Kakhuri Shashkhi processor (traditional bacon), two associations, Goderdzi Pass advocacy, a silk Advisory Committee and extension interventions in dairy, honey, climate smart inputs and wild botanicals. See Figure 1 below and *Annex 4 List of Interventions in the Reporting Period* for more details.

³⁰ International Organization of Migration (IOM), UN Women, UNDP, World Vision, CENN, GIZ, EU Commission, Solidarity Community NGO, SAORSA NGO, Academy of the Ministry of Finance, EU for Georgia Media Centre, the Office of the State Minister of Georgia for the Reconciliation and Civic Equality, Kakheti Regional Development Fund (KRDF), NDI, Local LAGs, Media Center Kakheti, Rural Development Agency, Women Information Center, Civic Equality Platform, Kvemo Kartli Women Association, IDPs Agency, Democratic Women Organization, Ombudsmen of Georgia, NALAG, Small & Medium Enterprise Development Association SMEDA, Anti-Violence Network of Georgia, Keda Community Education Center, Fund Sokhumi, Society of Democratic Women of Marneuli, Ajaristskali Georgia LTD.

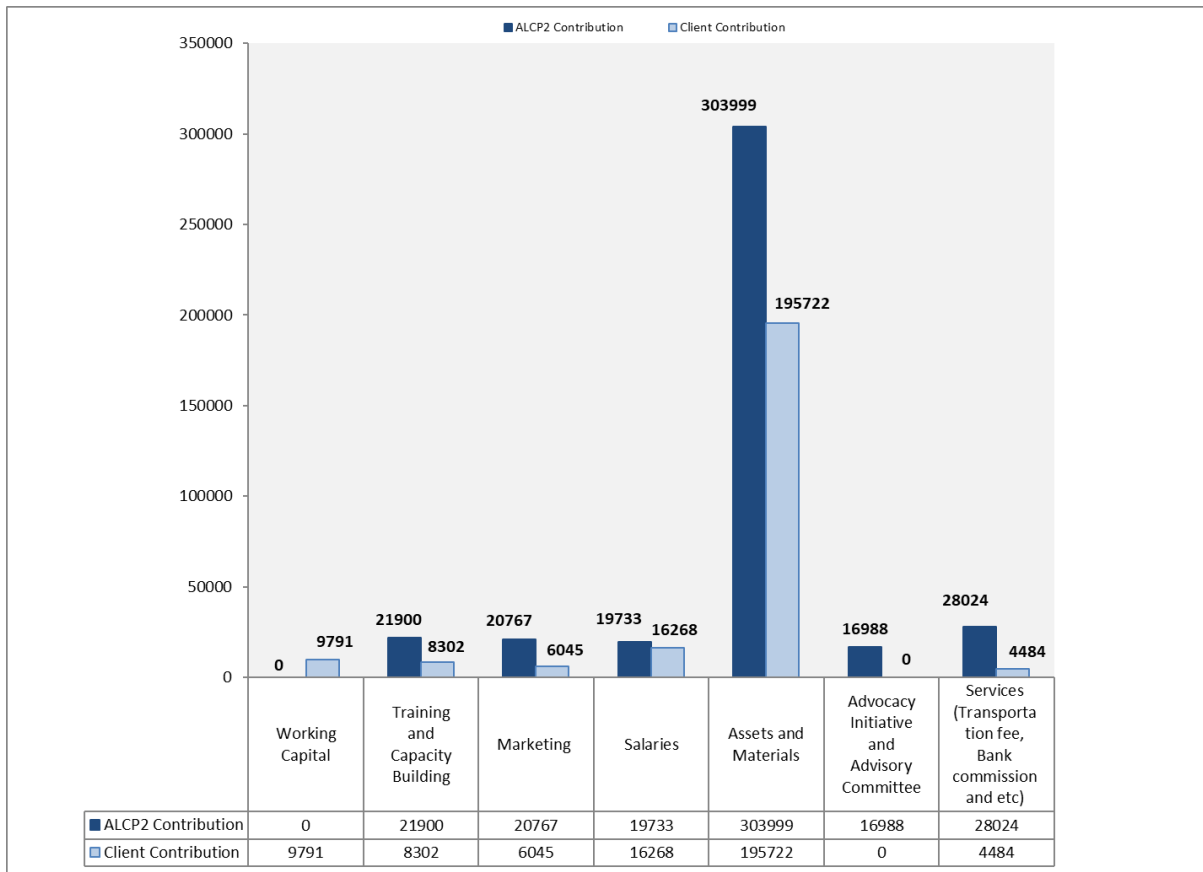


Figure 1. Showing the Outlay of ALCP2 and Client Contributions in the Reporting Period in USD

TEAM MANAGEMENT, HUMAN RESOURCES AND OFFICE MANAGEMENT

All offices are functioning well across Georgia. The Results Measurement Officer for Batumi moved on in October wishing to return to Tbilisi. Recruitment for this position has been exhaustive, therefore rather than re-recruit and given that now the RM system is largely set up, capacity within the system was utilized, with the salary for the vacant position covering it. The existing Results Measurement Analyst, a position which was three days a week, was expanded to full time and with added responsibility for Ajara and monthly travel and two Senior RM Officers on 80% were increased to 90% to absorb some other RM tasks. The former Operations Manager for MC and the ALCP left in September, the existing Senior Logistics Officer for Ajara was promoted to Operations Manager for MC and ALCP2 Georgia and a new Logistics Procurement Officer based in Tbilisi with a dedicated commitment to Marneuli, was hired. In early summer a Senior Programme officer of ten years in the Ajara team left for an excellent leadership opportunity in a Batumi educational establishment and the responsibilities of an existing Senior Programme Officer were increased with consequent remuneration and a new Programme Officer hired.

5. PROGRAMME RELATIONS

This section describes external programme relations in terms of self-review, external communication and dissemination of programme materials, research and publications and networking both internally and externally, coordination and collaboration with other development programmes.

SELF-REVIEW AND DISSEMINATION

A new section Climate Change and Biodiversity, curating relevant publications has been created on the ALCP2 website www.alcp.ge in the Library section. New surveys, impact assessments and market research in honey dairy and WEE sectors were also conducted in 2024 and can be found in the Ongoing Surveys and Impact Assessment section. The ALCP2 was one of three Mercy Corps MSD programmes showcased in a core session for economic development in the Mercy Corps Asia Regional Gathering held in Bangkok in October 2023. The ALCP2 hosted members of the MC Global GESI Summit cohort who had convened in Tbilisi, in the Marneuli office in October. MC HQ representatives delivered and key staff including the Team Leader, attended, a Gender Equity Social Inclusion (GESI) training in March and a five-day Community Accountability Reporting Mechanisms (CARMS) and Safeguarding Training, both held in Tbilisi in April and May respectively. The Team Leader was an invited (remote) speaker at the Advanced Monitoring and Results Measurement Training in Bangkok in October, exchanging with course participants in a session on Management and Results Measurement. One of the learning products from the work shop partially sponsored by SDC was [Visualizing System Change](#). In May the Team leader was invited to contribute to the publication in which Team Leaders from twelve MSD programmes from around the world contributed their visualisations of system change impact. Please see the [System Change Diagram](#) contributed by the ALCP2. The DCED commissioned research into Trade and MSD and what potential advantages and challenges MSD may have in tackling trade constraints, as part of which the Team Leader was interviewed. The Team leader will be also contributing to a follow up session on the topic in the [DCED Global Seminar in Nairobi](#) organized in conjunction with the BEAM Exchange at the beginning of October, as well as sessions on Greening MSD, Measuring Greening MSD and a plenary session on Donor Implementer relationships. At the end of May following facilitation by Sida after the Steering Committee and a request by the ALCP2 for support in promoting the work in Greening MSD, the programme gave a presentation to the Sida Network entitled *Greening MSD in the ALCP2 in Georgia* please see a summary in Annex 7.

NETWORKING, COORDINATION

Coordination: Coordination was ongoing with the SDC RSMEDP for business support services to GMM dairies through the GMMF and the SDC/ADA FAO NAITS programme concerning apiary registration. The ALCP2 programme continues coordination USDA Land o Lakes Safety and Quality Investment in Livestock (SQIL) project and held handover meetings with the UNIDO *Increasing the Competitiveness of MSME's in the Samegrelo Zemo Svaneti Region Through a Cluster Development Approach* project regarding their Mukhuri honey cluster Geographical Indication activities. Intensive coordination and programme activity has been ongoing with the SECO Georgian Swiss Intellectual Property Project implemented by PMCG and two Swiss Government consultants concerning honing the Geographical Indication standards for Rachuli Lori. Meetings with Lori producers were facilitated by the ALCP2 and changes integrated into the GI specifications document for a final submission to Sakpatenti. The Team and Deputy Team Leader made linkages and shared experience with the ADA/EU R2D Syunik: Recovery, Resilience, Development for Syunik project in Armenia at the behest of ADA and a new rural MSD MC project in Ukraine. Outside the reporting period, they also began coordination with a new CNFA export diversification project interested in the honey sector. A working meeting was held between team leaders and key team members of the ALCP2 and the SDC Local Economic Development programme in Marneuli in late November 2023 highlighting the Women's Rooms Network and Women's Rooms Union. A meeting was held with the RSMEDP, LED and ALCP2 convened with SDC in June to discuss the implications of the Foreign Influence Law on programme implementation.

CONCLUSION

The programme is very well underway with many interventions in planning or execution of secondary expansion phases for the scale up of activities and outreach. The impact measurement including the progress against qualitative indicators recorded in Annex 2, really shows that system change has begun, behaviour is being influenced, linkages are being made and activities are catalysing others to act. It is a challenge to capture all that is being achieved and happening and to ensure that all is facilitated for optimum impact and sustainability, but it is a challenge that shows that the programme is working. Adding another year to programme implementation will ensure that expansion and essential sustainability functions such as the establishment and equipping of a Lori Producers Association to self-regulate the upcoming GI and commercial sustainability of industry associations, GMMF GBU, GMM, JBA and the WRU are solidified and safeguarded.

ANNEX 1 SYSTEM CHANGE PER REPORTING PERIOD

This annex provides an overview of system changes within the reporting period, highlighting behaviour change, crowding in, business expansion, and sectoral transformations. In this reporting period, the impact assessment proved that Women’s Rooms significantly help rural MSME’s to expand their businesses through access to funding components. Also, further sectoral ‘thickening’ has been observed in dairy and honey sectors with new crowding in and business extension cases captured. Finally as our ‘greening MSD’ programming develops we have started analyzing the differences between ‘traditional MSD’ and ‘Green MSD’. Both approaches are dedicated to engendering system change but there are significant differences between them and these are examined in this report.

System Change

In the 2024 annual report, a total of 39 business expansion cases are identified across various sectors and regions in Georgia. Qualitative data indicates that ALCP2 supported entities have had good access to grants and loans, leading to an additional investment of 1.9 million GEL / 0.7 million CHF in their businesses. Additionally, six instances of crowding-in have been reported, with other entities adopting the intervention model introduced by the ALCP2 clients. These crowding-in enterprises are currently under construction, and their indirect benefits are expected to start emerging soon.

Two crowding-in cases have been observed in the dairy sector, two in the honey sector, and one each in the Momavlis Fermeri and Women’s Rooms interventions. The GMM certified dairies have further demonstrated sustainability and reliability. In this reporting period, when some unregistered factories closed due to financial issues or delayed payments to milk suppliers, the GMM dairies stepped in, filling the gap by expanding their coverage area and reaching new villages, thereby ensuring that milk suppliers continued to have market access.

Furthermore, the business expansions of GMM dairies resulted in the creation of 63 full-time job equivalents. For example, some dairies have hired additional employees due to expanded production and export activities, while others have added new technologists to innovate dairy production methods. Notably, 29% of the jobs created in the dairy sector are held by ethnic minorities. The employees have reported high satisfaction, as dairy work represents a critical employment opportunity in their remote, minority-populated villages.

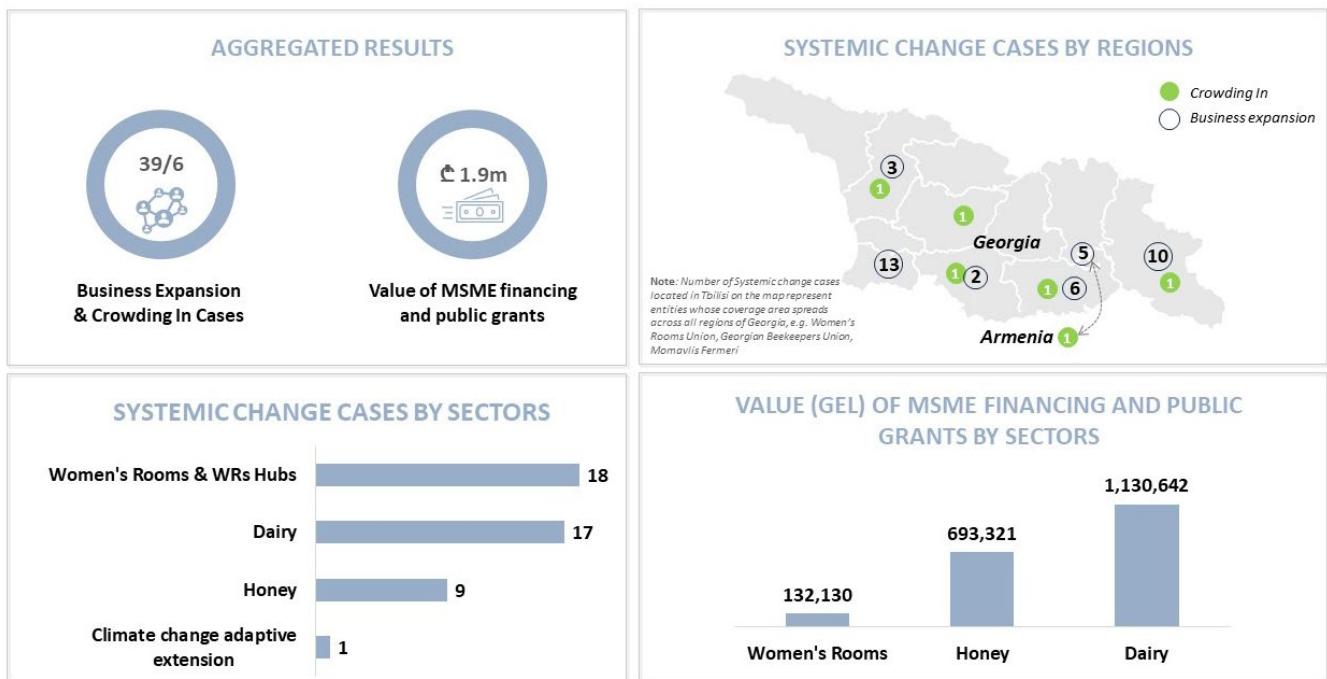


Figure 1 ALCP2 Systemic Change May 2022-June 2024

Reflecting on Traditional MSD v's Green MSD in the ALCP2 Programme so Far:

A Comparison of a Traditional and Green Veterinary Inputs Interventions on the Alliances Programme

The Alliances programme ran for well over a decade as a highly successful MSD programme. In the new ALCP2 from 2022, a definitive move was made to make the entire programme what is now called a 'Green MSD' programme, with sustainability in all its forms, environmental, financial and social, considered throughout all aspects of programming. The programme has been running for more than two years now so the following section offers some reflections on what is ultimately, a developing approach, through the lens of our climate smart inputs for livestock farmers intervention.

Does Climate Change have to be Recognized by Producers to be Addressed?

Climate change is an ever-deepening challenge with calamitous impacts on agriculture, yet its full import is not always fully recognized by farmers, being experienced as a series of individual hardships, crisis or disasters, rather than part of an overall pattern. The importance of this is that people cannot respond, adapt or prepare for 'unforeseen' crises or disasters but can begin a process of mitigation and adaptation once the pattern is perceived and challenges defined. The poorer the farmer the more vulnerable they are to the negative impacts of climate change. They cannot buy in feed when their hay crop fails, they cannot afford to drill a new and very deep bore when their water sources dry up. They cannot move when extreme weather destroys grazing, washes away a portion of their land or increased temperatures bring in a parasitic disease that decimates their livestock productivity. They are also more isolated from information and resources. Sustainability of response to the negative impacts of climate change is also a key facet of climate smart interventions which means structuring sustainable solutions for those who cannot avoid the full consequences of the changing climate.

In 2022, the ALCP2 determined to understand farmer's perceptions of climate change and conducted focus groups for dairy and meat producers and beekeepers. The focus groups revealed that farmers and beekeepers had remarkable parity in their experience of weather events, temperature, resource changes and the impacts they caused, including across gender and ethnicity. However, these were experienced as a general sense of things getting harder, rather than a cohesive framing as climate change. This was until the programme introduced the concept of climate change for discussion. Once it was introduced and discussed, agreement as to the cohesive nature of the cause of these issues has been mostly general. In the climate smart inputs interventions in the programme so far, where knowledge and resources have been offered to farmers through training and materials³¹, to explain the need for the input and its manner of use in the context of their production experience, uptake has been practically universal.

Climate Smart Inputs with Roki Ltd

One climate smart intervention now being implemented by the ALCP2 is that of working with lead veterinary firm Roki Ltd, to offer five climate smart packages of affordable veterinary preparations to address the key issues faced by producers due climate change and the subsequent declines in productivity and health; heat stress, cold stress, mastitis, immunity boost and productivity. Each package includes Roki's innovative, domestically and sustainably produced prebiotic Rumifos. Training and marketing/information products are being rolled out and networks being utilized to instruct people and explain the packages. See Figure 1 for the intervention model and activities to date. The ALCP2 worked with Roki years ago. The collaboration led to one of the most widely recognized MSD interventions, often cited as an example of the efficacy of MSD. It gained massive scale and sustainability, in terms of

³¹ Including the [Countering the Impact of Climate Change on Livestock Production in Georgia: Guidelines for Extension Specialists](#)

the company having continued to grow and develop the service despite facilitation ceasing years ago. See Figure 2.

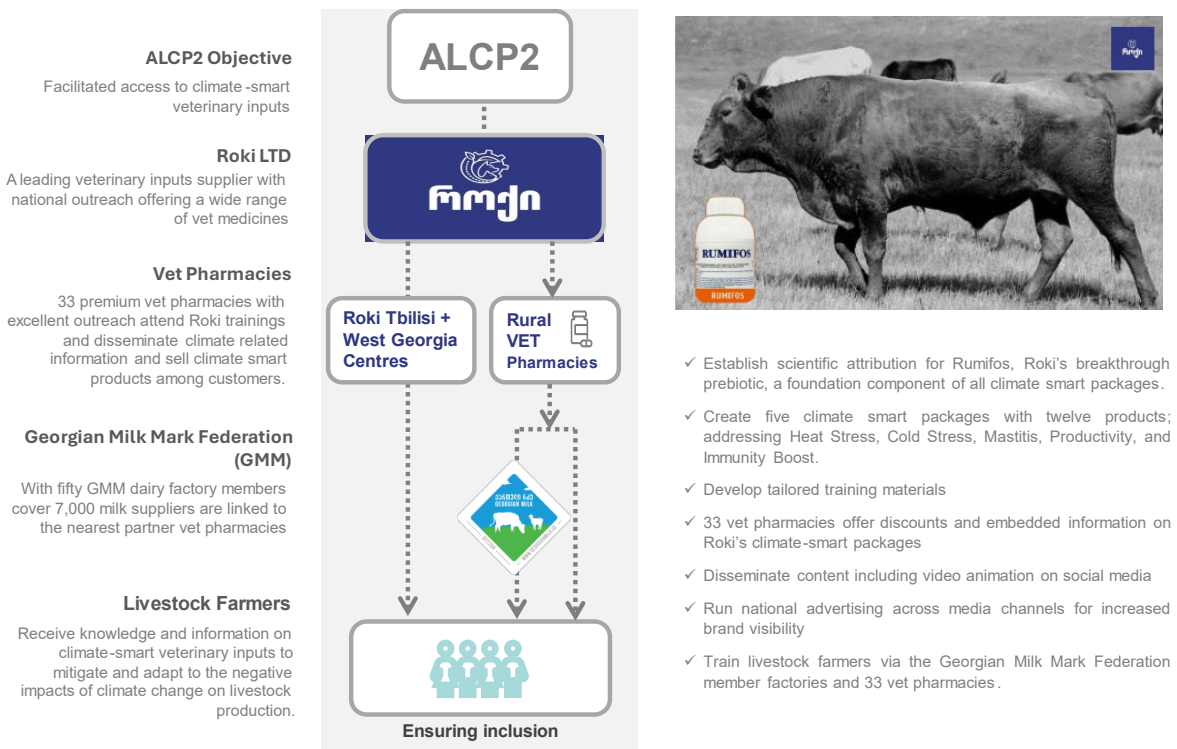


Figure 2 Roki Ltd Climate Smart Inputs Intervention

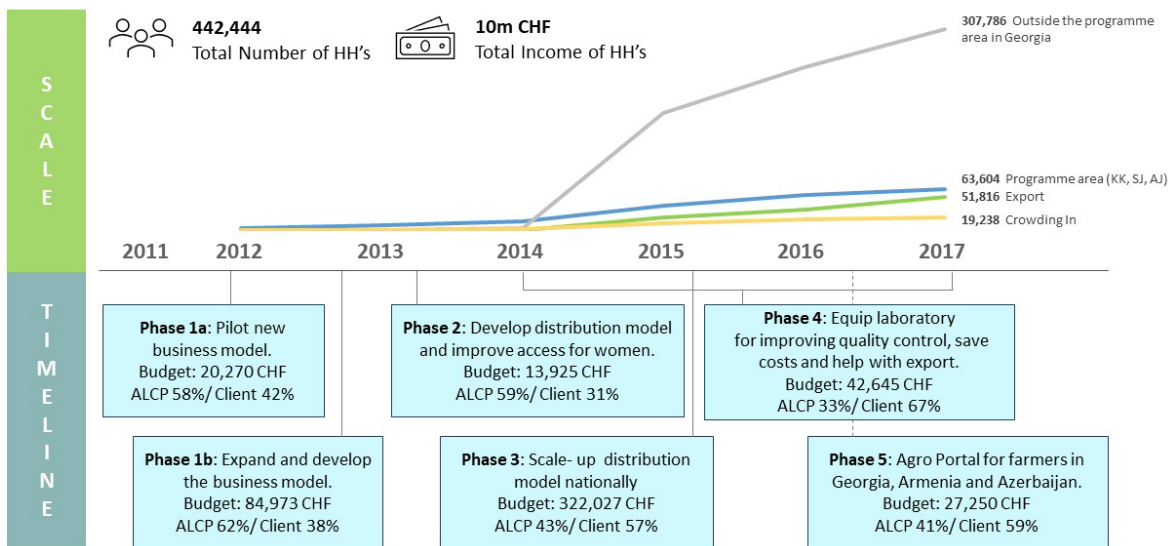


Figure 3 Roki Ltd Access to Veterinary Inputs Intervention

The climate smart inputs intervention is undoubtedly building on the foundation of the other. The intervention was not however a 'green' one and some of the differences between the two interventions is examined in Table 1 where aspects of 'Traditional MSD' and so-called 'Green MSD' are examined.

Table 2 Comparison of Inputs intervention in Traditional and Green MSD

Aspect	Traditional MSD (Standard)	Green MSD (Climate Smart)
Target Group Sector selection	<p>Small scale livestock and honey producers (cows and sheep) i.e. dairy, meat and wool and honey</p> <p>Sector focused for maximum impact to rural poor.</p> <p>Production problems linked to environment, such as weeds, drought or soil erosion, described as individual constraints, risks, disasters, threats.</p>	<p>Rural Producers anyone directly dependent on natural resources for their livelihood.</p> <p>Sector focused on rural poor but with additional focus on the source of their productivity i.e. natural resources and whether the sectors themselves feed into and promote environmental sustainability and biodiversity e.g. promoting organic based treatment principles for important pollinators in the honey sector thus bolstering biodiversity. Negative impacts of climate change on production considered holistically.</p>
Intervention model	<p>Interventions designed to improve access to inputs for improved productivity. Often focusing on creating better, more affordable access to inputs which already exist, improving their distribution, quality, use and cost. Minimal environmental considerations of sustainability of manufacture, dissemination or use.</p>	<p>The interventions are designed to improve productivity, resilience and sustainability by providing knowledge and tools for producers to mitigate or adapt to the negative impacts of climate change whilst also boosting productivity sustainably. Climate smart inputs often require climate smart usage.</p>
Focus and objectives	<p>Works through existing market players. Private sector entry points often do have a social and community ethos for poorer farmers but not in specific relation to the challenges of climate change and profit and business growth are the main motivators.</p>	<p>Works through existing market players but entities must also buy-in to the importance of the climate change itself as well as wanting to enhance profitability and more general social motivations. Private sector actors must realize the impact of climate change on their future business model, profit and growth.</p>
Emphasis on sustainability	<p>Sustainability is considered in terms of the intervention continuing without support once facilitation is withdrawn. Sustainability is considered the raison d'être of system change other business' copying the model, other people adopting/copying new behaviours</p>	<p>All elements of the intervention considered through a sustainability lens and all elements of sustainability including financial, social and environmental sustainability are built-in.</p>
Behaviour changes	<p>Behavioural changes important but often recorded as impact. Declines in productivity due to environment seen as disasters and dealt with as and when they occur.</p>	<p>Behavioural change and belief pivotal to the uptake and success of the interventions. Market actors must believe in their product and end users see the overarching narrative of climate change in their own experience to understand why they need to adopt new products and usage. Negative impacts seen as a continuous pattern to which mitigation and adaptation must occur.</p>
Scale and impact	<p>Standard inputs interventions often deliver significant scale with varying depth of service and use. Once systems are in place, delivery is rapid and can expand rapidly.</p>	<p>Green MSD interventions often have to focus on a smaller number of people with a more consistent and higher depth of service and use. Change in behaviour is required at service producer and user level, delivery is slower and expansion potentially slower.</p>

ANNEX 2 PROGRESS AGAINST QUALITATIVE LOGFRAME INDICATORS

The impact recorded in this table is based on scheduled, ongoing qualitative measurement that occurs in each intervention on at least an annual basis, ongoing measurement sure as pre and post training surveys and impact assessments and surveys conducted within the reporting period. In this period these are:

[Honey Market Snapshot Survey](#) February 2024

[Supermarket Awareness of and Attitudes Towards the Georgian Milk Mark Survey](#) March 2024

[Jara in VET Impact Assessment](#) May 2024

[ALCP2 Beekeeping Impact Assessment](#) May 2024

[ALCP2 Access to Finance Through the Women's Rooms Network Impact Assessment](#) May 2024

[Members Survey of GMMF](#) June 2024

[Members Survey of GBU](#) June 2024

ALCP2 Qualitative Logframe Indicators		
Level	Indicator	Results
1	Purpose % of rural inhabitants/producers with improved general sense of wellbeing/positivity going forward/inclusion (20%).	The programme conducted three impact assessments in 2024 in the honey sector and in WEE. <ul style="list-style-type: none"> - 93% of GBU beneficiaries reported that they are going to invest more in beekeeping in future. - 95% of Women's Rooms beneficiaries reported satisfaction with access to funding and they would recommend it to others. - 41 % of VET participants taking the Jara module said they wanted to start to produce Jara
2	Outcome 1 # of persons who consider that they are more resilient to deal with the adverse effects of climate change.	<ul style="list-style-type: none"> - 59% of GBU beneficiaries have become more resilient to climate change's adverse effects; they had monetary benefits despite climate-related hazards in 2023. - Roki and Momavlis Fermeri conducted training sessions related to climate change and their beneficiaries (603 farmers) resilience will be assessed through the next impact assessment. Post-Training feedback from the participants is positive.
3	<i>Output 1.1</i> Rural producers' level of satisfaction with quality and applicability of facilitated content (qualitative)	<ul style="list-style-type: none"> - 80% of GBU beneficiaries applied the knowledge from trainings. - 100% of Roki and Momavlis Fermeri beneficiaries (603) were satisfied with training contents (post-tests). - 47% of Jara VET students gained knowledge about traditional Jara beekeeping methods and 46% mentioned that new knowledge was applicable in practice to improve their beekeeping practices.
4	<i>Output 1.2.</i> Rural producers' perception of usefulness of facilitated inputs (qualitative)	<ul style="list-style-type: none"> - Climate Smart Inputs – Roki's Vet medicines: Farmers using ROKI's climate-smart products, such as Rumifos think that they are useful and are highlighting their effectiveness in improving milk yield and managing climate-related challenges in livestock farming. Some farmers also reported that the ROKI training taught them how to combine Rumifos with other products, such as Masdisin Herbal for mastitis prevention, Chemi Pakizo for overall milk production, and Kalfosh and Mineral Blocks to combat heat

			<p>stress, for maximum benefit. The intervention is beginning to generate positive results, and ROKI has started packaging and marketing these inputs together. Early assessments are extremely positive, with farmers sharing their experiences and recommending Rumifos to others.</p> <ul style="list-style-type: none"> - Climate Smart Inputs – Beehives: The interviewed beekeepers expressed strong satisfaction with the new climate-adapted beehives, highlighting their quality, practicality, and suitability for various weather conditions. Key trends from the qualitative interviews highlight the high quality of materials and design, the beehives' adaptability to climate conditions and their practicality and ease of use (e.g. for transportation). Overall, beekeepers are reporting positive experiences, and they recommend climate-adapted beehives to other beekeepers. - Climate Smart Inputs – Beeswax foundations: Overall, clients of the beeswax foundations printing company in Lanchkhuti, Guria, highlight the exceptional quality of the beeswax— noted for its high purity, ecological safety, and high wax content (80%). They indicated that this beeswax foundation creates healthier honeycomb construction. Beekeepers appreciate the product as good value for money, they are satisfied with it, and plan to continue purchasing climate smart beeswax foundations in the future as well.
5	Outcome 2	% of rural producers with increased satisfaction with improved access to reliable value-added markets (qualitative)	<p>Honey Sector</p> <ul style="list-style-type: none"> - Despite this year's climate-related challenges, all beekeepers are satisfied with their access to the honey market. Thanks to access to export and domestic markets through their supply to compliant honey companies, beekeepers now have no unsold honey. This issue, which was a major constraint at the beginning of the ALCP honey interventions in 2014, has been successfully resolved. <p>Dairy Sector</p> <ul style="list-style-type: none"> - In qualitative assessment, milk suppliers expressed satisfaction with the price they are being paid and the regularity of payment of GMM dairies. The GMM dairies need reliable and stable supply of raw milk and they pay around 0.2 Gel more per litre than other milk collectors. The average annual price for raw milk is 1.5 GEL. - During this reporting period, when some unregistered factories closed due to financial problems, GMM dairies have expanded their milk collection areas and ensured that these milk suppliers retained access to the market. <p>Lori</p> <ul style="list-style-type: none"> - Forest-reared Lori (bacon) producers sold all their produce and could not meet demand - The price difference per KG between forest-reared and standard pigs has remained constant at 2.5 Gel/kg however the price per kilo of the bacon has increased by 7 gel/kg. Pig farmers expressed their satisfaction with increased prices and increased demand for forest reared pigs. They expect even higher demand next season as improved facilities allow for greater throughput. They are investing in forest-reared pigs and are preparing for better sales.
6	<i>Output 2.1.</i>	% of members and perception of improved sense of representation and empowerment (%/qualitative)	<p>The programme conducted GBU and GMM members surveys in June 2024.</p> <ul style="list-style-type: none"> - 87% of GBU members reported satisfaction with the GBU's work, and 97% believe that the GBU has improved its performance compared to previous years. - 100% of GMMF members reported that GMMF effectively serves their interests, and 87% of them believe that GMMF has improved its performance compared to previous years. - 80% of bio-Jara beekeepers are satisfied and say they benefit from JBA. They reported that JBA improves the image of Jara honey and currently, buyers have greater trust and demand for Jara honey.

7	Output 2.2.	Producers and entities' perceptions of product image (qualitative)	<ul style="list-style-type: none"> - 87% of GMM dairies mentioned that using the mark helps their dairies in business development. 53% of them also said that GMM helped them to enter value-added markets (Supermarkets and HoReCa). - Qualitative interviews show that newly renovated Lori production areas are enhancing sales and boosting the reputation of Lori products. However, the impact will become more tangible once certification, branding, and regional product labeling are implemented. Lori production standards and the Geographical Indication mark are currently undergoing approval by Sakpatenti.
8	Output 2.3.	Perceived benefit of attainment of certification. (qualitative)	<ul style="list-style-type: none"> - The GMM dairies reported that the GMM certification enables them to create more jobs. The GMM dairies have significantly increased employment, with recent expansions creating new roles and hiring additional staff due to increased production and export activities, benefiting local communities and addressing job scarcity. In total, 63 new jobs have been created 37 for women, and 26 for men. - JBA beneficiaries who obtained bio-certification reported that it has allowed them to sell their entire annual honey harvest without sales issues. They also gained valuable insights into beekeeping and bio medicines and services and found it easier to sell honey to tourists with value-addition.
9	Outcome 3	% of rural producers' and local MSME's with increased level of satisfaction with inclusive local decision making concerning local natural resource use (%/qualitative)	<ul style="list-style-type: none"> - Regarding the Goderdzi development plan, the JRC created educational content to boost local citizen engagement in environmental decision-making and facilitated media coverage through TV 25, TOK TV, and AgroGaremo TV. The approval process for the Goderdzi Pass Development Master Plan has become more accessible and inclusive due to increased media coverage, which informed and engaged locals. For instance, this led to the formation of the community group' Khulo and Its Perspectives', which informs residents and encourages their participation, while also prompting local governments to be more responsive. - In May and June 2024, AgroGaremo TV produced a series of 12 video reportages on sericulture in Georgia, emphasizing the importance of natural resource protection, including the significance of mulberry tree plantations. The videos collectively garnered 1.4 million views and thousands of positive Facebook comments.
10	Output 3.1	Rural producers' sense of empowerment (qualitative)	<ul style="list-style-type: none"> - A Khulo resident formed a local initiative group (Khulo and Its Perspectives) and secured a \$10,000 USAID grant to raise awareness about environmental issues related to the Goderdzi Pass, inspired by attending the ALCP2 facilitated public hearing on the Goderdzi Pass Development Masterplan.
11	Output 3.2	Perceived benefit to rural producers of these linkages (qualitative)	<ul style="list-style-type: none"> - 15 natural resource related business projects were funded through the Women's Rooms and interviewed beneficiaries expressed their satisfaction with the services received. They mentioned that Women's Rooms informed them about available funding and linked them to donors. Without the Women's Rooms they would not be able to receive the benefits.



CLIMATE CHANGE ADAPTED EXTENSION THROUGH MOMAVLIS FERMERI/RDA

Enhancing Climate Knowledge for Georgian Livestock Farmers

'It was my first dive into climate change topics as I contributed to the manual *Countering the Impact of Climate Change on Livestock Production in Georgia*. Recognizing the urgency for farmers to access accurate climate-smart information, I gained new perspectives. Many farmers lack basic knowledge in this area, such as ensuring adequate air and water supply for cattle in cowsheds. In addition to providing trainings for extension specialists, I utilized the manual's content at the Swiss Agricultural School Caucasus in Dmanisi, where I teach. By maintaining collaboration with extension specialists, I organized their participation in the Natural Pasture Day event at our college, which was attended by 20 specialists. Looking ahead, introducing similar training sessions for community leader farmers will be beneficial.' **Nato Peradze, Swiss Agricultural School, Dmanisi, Kvemo Kartli**

'My interest in climate change was sparked when Momavlis Fermeri asked me to contribute to the manual *Countering the Impact of Climate Change on Livestock Production in Georgia*. Although many countries have long addressed this issue, it had not been explored in Georgia's professional circles. I felt it was time to engage with the topic. I conducted extensive research and connected with extension specialists for the first time while teaching them the subjects covered in the manual. Additionally, I have shared this knowledge with a broader audience, including farmers, private extension specialists, and students. As a horticulture instructor, I have integrated these topics into my curriculum.' **Nika Japhiashvili, Instructor, Swiss Agricultural School, Dmanisi, Kvemo Kartli**

The climate-smart training offered by RDA has been a huge benefit to my farm. Learning how to manage extreme heat and drought, as well as improving the microclimate in my cowshed, has made a noticeable difference in my livestock's health and improve their overall well-being. **Ushangi Okroadze, farmer from Okami village, Akhalkalaki, SJ.**

'The manual and the training sessions advanced me to new topics such as cowshed microclimate, animal health, and food-related issues impacted by climate change. Subsequently, I conducted training sessions for farmers in my municipalities and communities where I provide extension services. I discovered that farmers had considerable misinformation. For instance, they initially attributed heat stress in cows to problems with feed rations, but they later realized that poor stall ventilation was the main issue, leading to ammonia smells in hot weather. They now plan to improve their ventilation management in their cowsheds. Many farmers were unaware that cows experience heat stress at temperatures above 18°C. There is significant interest from farmers, and I am committed to supporting them through ongoing communication and information exchange.' **Andria Kitesashvili, Extension Specialist, Kakheti**

As a woman in farming, the climate-smart training has been incredibly empowering. The practical strategies I learned have helped me not only protect my livestock from climate-related challenges but also improve their productivity. It's given me the confidence and knowledge to contribute even more to my family's farm. **Nana Konkladze, farmer from Akhmeta, Kakheti.**



ACCESS TO CLIMATE -SMART INPUTS ROKI LTD

Healthier Cattle and increased milk yield through Roki's trainings and products

'Attending Roki's training taught me valuable information I hadn't known before. After using Roki's products and following their recommendations for the past five months, our cattle are healthier, and growing faster, and our milk yield has increased significantly. I've shared these practices with other farmers, and they're seeing great results too.' **Ramaz Beridze, Farmer, Dertseli Village, Akhaltsikhe, SJ.**

After attending the training, I started using Roki's products like Rumifos and Chemi Pakizo. The impact has been remarkable. Not only has the milk yield from my cows increased by about 2 liters per day during the high milking period, but I've also noticed a significant improvement in my calves' appetite and overall health. The products have really helped us manage the climate-related challenges better. I've even recommended these products to other farmers in the village because the benefits are clear. **Nukri Jimbitashvili, Farmer from Kachreti, Kakheti.**

'Without ALCP2 facilitation, our company wouldn't have focused on these issues or presented climate-smart content effectively. The programme helped us refine our diverse product range into targeted packages on Heat and Cold Stress, Productivity, Mastitis, and Immunity Boost. We now offer these packages to guide farmers in adapting to climate change. The training sessions with farmers were particularly valuable; without ALCP2's support, strengthening these connections would have been challenging. Farmers showed strong interest in feed additives, disease management, productivity improvement, immunity boosting, and reducing antibiotic use. They are more engaged and data-driven than in the past, seeking tangible results and discussing specific percentages for disease reduction and productivity increases. We were surprised to find many of our products were previously unknown. We developed animations and brochures, set up shelves in vet pharmacies, and offered special prices. These efforts have already positively impacted sales. We are continuing to reach many farmers through trainings, social and traditional media, and communicating directly in Armenian and Azerbaijani.' **Davit Bostashvili, Representative of Roki Ltd.**



ACCESS TO CLIMATE -ADAPTED INPUTS: BEEHIVES & BEESWAX

'Years ago, I used to make my own ventilated hives and understood their importance for regulating hive temperature, which is essential for healthy bees. I am satisfied with the hives purchased from Apiguru; they withstand poor weather conditions, such as wind and rain, and the bees are thriving. As an experienced beekeeper and hive producer, I like the quality of these hives.' **Soso Begiashvili, Beekeeper from Shida Kartli Region**

'The hives I purchased are very practical and lightweight. Previously, hives made from thick wood were quite heavy and often required repainting, which eventually wore off. The new hives are more durable and requires less maintenance.' **Rodeon Korchilava, Beekeeper, Abasha, Samegrelo Region**

'I am satisfied with the printed beeswax from producer Tamaz Glonti in Lanchkhuti, Guria. The printed beeswax contains 80% wax, it is clean, and the bees combbuilding process goes well.' **Miko Pataraiia, Beekeeper, Lanchkhuti, Guria Region**

'The wax I have purchased is produced in a way that it is free from contaminants that can cause disease and it is the starting point of a healthy bee colony and honey production in the end. I am satisfied with the quality of the wax producer, and I hope I will have good results in the end.' **Roland Zirakishvili, Beekeeper, Lanchkhuti, Guria Region**



LORI

Tourists are attracted by new look of the Lori enterprises

Our newly renovated Lori production area has not only made the process more comfortable but has also significantly improved food safety and hygiene with the enhanced water supply. Customers trust the quality of our Lori, and the beautiful renovations now attract more tourists. When they visit and see our modern facilities, they can't resist buying our delicious product. **Sopio Gogrichiani, Lori Producer, Ambrilauri Municipality, Racha**

Rising Demand for Local Breed Forest-Reared Pigs

I have both local breed forest-reared pigs and other breed pigs. In recent years, the demand for local breed forest-reared pigs has increased significantly, with 97% of them being purchased for Lori production. I have regular clients who are Lori producers, and working with them is very easy. We also agree on a good price. Due to high demand, my income is increasing. In the future, I plan to raise more local breed forest-reared pigs, which will significantly boost my income. **Alexandre Ratiani, Pig farmer, Ambrilauri Municipality, Racha**

Enhanced Lori production facilities boost sales

This year, we've increased our Lori production by 25% compared to last year, thanks to our new storage refrigerator that ensures the quality and taste of our stored products. To meet the demand, we've also bought additional pigs from other farmers, with 40% of our total sales coming from these purchases. Looking ahead, we plan to further increase production as our storage and production facilities allow. Most of our buyers are tourists, and in the future, we plan to offer tours of our Lori production process to enhance their experience even more. **Giorgi Chelidze, Lori Producer, Oni Municipality, Racha**



WILD BOTANICALS

This year, we have expanded our reach, now working with 822 suppliers and increasing our collection volume by 280% since 2022. This progress has enabled us to diversify our product range, enter higher-tier sales outlets, and expand into export markets. Additionally, we have invested in our processing facility, improved our storage capabilities, and added a new showroom. We have also offered higher payments to suppliers, ensuring regular collection throughout the season. This not only supported growth but has really boosted my confidence to enter new markets and gain new clients. **Gela Chkoidze, the owner of Sunelis Sakhli**

In the past we've faced challenges with certain buyers who didn't pay for the wild botanicals we supplied. Our partnership with Sunelis Sakhli stands out as a model of reliability and trust. While local resellers do visit, their purchases are usually smaller, and they offer lower prices. This makes our collaboration with Sunelis Sakhli important and truly indispensable. **Nana Chanturia, Picker of wild botanicals from Chobareti village, SJ.**



GEORGIAN MILK MARK (GMM)

Access to finances Boost Dairy Factory's Production Capacity and Export Opportunities

We expanded our business and took a 150,000 Gel loan from the Bank of Georgia to build a new factory to increase our production and storage capacity. In the old factory, we could process 3-4 tonnes of milk/day, in the new factory will have the capacity to process up to 10 tonnes of milk. Since November 2023 we have been exporting 1 tonne/ month of cheese to Dubai. We will get an additional 200,000 Gel from the Bank of Georgia in a week to finalize the building. After getting the GMM we cooperated with supermarket Goodwill, which increased demand for our products. Compliant FS&H and efficient operations helped us in getting the loan. **Magamed Salipov, Owner, Dairy Factory Fidan Natura.**

Pursuing compliance & growth inspired by GMM dairy

My family runs a dairy farm with 150 milking cows and has operated a small dairy factory for 7 years. We also collect milk from 200 small-scale farmers, processing up to 8 tons of milk daily during peak season and 3 tons during the low season. Our dairy currently does not meet the country's Food Safety and Hygiene regulations. To address this, we decided to build a compliant factory but were unsure how to start. We visited Alpuri Javakheti Ltd, a compliant dairy in Uchamana village that follows HACCP standards and exports cheese to the USA. The owner gave us a tour, shared the factory design, and provided contacts for consulting firms. We aim to have a compliant factory with increased production and better market access by next year. **Vasil, Gorelovka Village, Ninotsminda Municipality, Samtskhe-Javakheti Region**

Transforms Lives for Women in Uchmana

Finding employment at the Alpuri Javakheti dairy factory has been a life-changing opportunity for me and many women in Uchmana. After the village library closed five years ago, I struggled to make ends meet by selling milk. Now, thanks to the factory, I have stable employment close to home, providing a much-needed source of income and a sense of purpose in our community. **Anna Arosyan, Dairy Factory Employee of Alpuri Javakheti, Samtskhe-Javakheti Region**



HONEY

Honey Market Growth in Georgian Beekeeping

I'm only 27 years old, but I've been involved in beekeeping for nearly half my life. I've seen how the market for selling honey has changed over the years. Since 2019, when Georgian honey began being exported to other countries, the beekeeping industry has advanced significantly. There is now greater focus on the safe treatment of bees, and selling honey has become much easier than it was before.' - **Vakho Kurtsikidze, a young beekeeper from Kalauri village, Gurjaani, Kakheti**

'My sales have been better than I expected. During the New Year, the sales of my honey and Gozinaki doubled. I've always been focused on growth and diversification. Seeing my business doing so well motivated me to start producing jams, which is a new product for us. I spoke with one of the major supermarket chains in Georgia, and they expressed interest in partnering with me to sell my honey and jams. Seeing these products together on the shelves will attract more attention from consumers. - **Giorgi Gomelauri, Director of Royal Honey Ltd, Kakheti**

I have been supplying my honey to Tapli Sakhlishi regularly for 6 years. Last year, I also supplied ApiGeo. In recent years, I've noticed a trend of honey companies emerging, purchasing large volumes of honey in bulk. This simplifies the selling process for beekeepers like me, who struggle to sell their harvest piece by piece throughout the year. The dedication of companies like Tapli Sakhlishi and ApiGeo has inspired me to start building my own honey factory, which will also feature a tourist facility. I plan to begin construction in August this year.' - **Aleksandre Mzhavia, Beekeeper, Guria**

Since partnering with Tapli Sakhlishi, I have increased the number of my beehives because I now have a stable market for my honey. I want to further increase the volume of honey produced, which is why I have decided to construct a facility where I can extract and store honey. This will help meet the growing demand for honey and ensure it is readily available throughout the year. - **Davit Kvinikadze, Beekeeper, Tskaltubo municipality, Imereti**

I have been supplying my honey to Royal Honey for years, and they have been reliable partners. Recently, I decided to start using better quality, climate-adapted beehives because the Kakheti region, particularly the Shiraki valleys where my bees are located, experiences intense heat. It's crucial to use hives that can withstand these conditions. I am purchasing these hives from I/E Vladimer Khaburzanian in western Georgia who produces such hives. - **Gocha Noniashvili, Beekeeper, Akhmeta municipality, Kakheti**



WRU

Access to Funds and Digital Opportunities

In May 2024, WRU received a \$20,000 grant from the US Embassy to involve Women's Rooms in five municipalities. By collaborating with families in these municipalities, our organization will strengthen connections, enhance the role of Women's Rooms, and encourage rural women and youth to engage in digital opportunities. Empowering youth and women in a digital capacity is critical to achieving gender equality. Through this project, we will increase knowledge of digital protection and tools, create a parent network to improve cyber literacy, and involve girls in digital development, thereby fostering the digital growth of local communities. **Fatima Bolkvadze, WRU's Executive Director**

Thanks to the Women's Room, I secured a 4500 GEL grant to renovate my guest house in Keda. Their guidance made it possible for me to apply, and now I have a business that provides me with income and independence. Without their support, I wouldn't have had this opportunity. **Nunu Turmanidze, Women's Room Visitor, Keda Municipality, Ajara.**

With the 25,000 GEL grant from Enterprise Georgia because of the support from the Women's Room manager, I was able to expand my bakery and open a new shop. Now, I've created jobs for two women and have even more motivation and ideas to grow my business further. What started as a solo effort is now a thriving venture with a bright future. **Ziniko Arevadze, Women's Room Visitor, Gurjaani Municipality, Kakheti.**



SILK

Farmers interested in producing silk cocoons need information on rearing silkworms, access to silkworm eggs, mulberry trees, and market connections. This need led us to establish the Georgian Silk Association in June 2024, founded by three local women enthusiasts. We have already begun preparations for the next season and are committed to sourcing high-quality silkworm eggs for farmers, which are currently unavailable in Georgia. Additionally, we aim to organize skills development trainings and workshops to connect silk farmers with craft makers interested in silk.
Sopho Abaloidze, founder and member of the Georgian Silk Association

When I was a child, my family raised silkworms, and that's why I have a deep love for this activity. I've always wanted to return to it, and I'm thrilled to have this opportunity now. Raising silkworms provides additional income for people in rural areas, especially those who are socially disadvantaged. If 10 families take care of silkworms this year, I'm confident that at least 10 more will join in my village next year. **Dali Veshaguridze, a female farmer from Zemo Alvani village, Kakheti.**



GODERDZI ALPINE GARDEN

We are grateful to members of the local civic initiative group Goderdzi Friends for their active participation in a public hearing of the Strategic Environmental Assessment Document of the Goderdzi Development Masterplan and for sharing their concerns and recommendations. We are open to discussion and cooperation. Mistakes such as approving the creation of large recreational tourism infrastructure next to the Goderdzi Alpine Garden without consulting the garden and Goderdzi Friends will not be made again as Goderdzi Development Masterplan will help us make smart decisions”
- Vakhtang Beridze, Khulo Mayor.

I, with other members of Goderdzi Friends, participated in all three public hearings held in Khulo Municipality Cityhall related to Goderdzi Development Masterplan concept and its Strategic Environmental Assessment Document. This was the first time when local civic initiative group participation in public hearings has an immediate result of halting the Masterplan approval process and improving the Strategic Environmental Assessment Document now including recommendations sent by our group – **Irakli Mikeladze, CENN, Goderdzi Friends member**

After participating in a public hearing in Khulo Municipality City Hall about the Strategic Environmental Assessment Document of the Goderdzi Development Masterplan in March 2024 and listening to Goderdzi Friends concerns and recommendations, I decided to create a local initiative group, which received a grant from USAID and is working on informing local citizens about the Goderdzi Pass Development Masterplan, its implications on locals and their rights with the involvement of Goderdzi Friends members – **Jemal Saginadze, Founder, Khulo and Its Perspectives**

ANNEX 4 LIST OF INTERVENTIONS IN THE REPORTING PERIOD JULY 1ST 2023 TO JUNE 30TH 2024

Intervention #	Name	Contact	Location	Type	Date	Total Investment & % Contribution		ALCP	Client	3rd Party ³²	Rating	
						\$	%					
1	1.2.1 Ltd ROKI /KK-2	ROKI Ltd	Davit Bostashvili	Tbilisi	Rolling out of piloted initiatives to expand sales and increase outreach.	24/04/24	\$	52,499	25,225	27,274	Good	
							%	100%	48%	52%		
2	2.2 Georgian Beekeepers Union /2	Georgian Beekeepers Union	Avksenti Papava	Tbilisi	Facilitate GBU's comprehensive research into Georgian honey production through pollen analysis to enhance international promotion and improve marketing, supply, and production of quality Georgian honey.	23/04/24	\$	13,175	11,761	1,414	Good	
							%	100%	89%	11%		
3	2.1/1.1 GMMF/BIG/KK-1	Business Institute of Georgia Georgian Milk Mark Federation	George Gigolashvili	Tbilisi	Facilitate the Business Institute of Georgia to sustainably develop its long-term management of the Georgian Milk Mark (GMM) Facilitate the Georgian Milk Mark Federation (GMMF) to strengthen their organizational capacity and service provision to its members for improved sustainability of management and membership	01/08/23	\$	71,261	45,863	3,778	21,620 ³³	Good
							%	100%	65%	5%	30%	
4	2.2.1 I.E. Giorgi Chelidze / Racha - 1	I.E. Giorgi Chelidze	Giorgi Chelidze	Nanamevi, Ambrolauri, Racha	Facilitate Seven Lori producers to upgrade Lori processing, smoking, and storage to produce compliant Rachuli Lori.	19/09/23	\$	13,582	11,289	2,293	Good	
							%	100%	83%	17%		
5	2.2.1 I.E. Konstantine Tagvadze / Racha - 1	I.E. Konstantine Tagvadze	Konstantine Tagvadze	Lagvanta, Oni, Racha		19/09/23	\$	15,105	12,271	2,834	Good	
							%	100%	81%	19%		

³² Third party contributions in the legal language of the ALCP2 grant agreements specifically refer to part payment or investment for services specified as part of the grant agreement. *Additional Investment: Including co-investment of local government, low interest government loans, bank loans and grants.

³³ Co investment of Rural Small & Medium Enterprises Development Programme (RSMEDP) to improve the provision of business development and financial services to the members of the Georgian Milk Mark Federation





6	2.2.1 I.E. Zurabi Qebadze / Racha - 1	I.E. Zurabi Qebadze	Zurabi Qebadze	Bortso, Oni, Racha		19/09/23	\$	17,561	14,666	2,895		Good
							%	100%	84%	16%		
7	2.2.1 I.E. Firuz Koberidze / Racha - 1	I.E. Firuz Koberidze	Firuz Koberidze	Somitso, Oni, Racha		25/09/23	\$	17,687	15,114	2,573		Good
							%	100%	85%	15%		
8	2.2.1 I.E. Sofio Gogrichiani / Racha - 1	I.E. Sofio Gogrichiani	Sofio Gogrichiani	Likheta, Ambrolauri, Racha		25/09/23	\$	16,162	13,165	2,997		Good
							%	100%	81%	19%		
9	2.2.1 I.E. Vladimer Gavashelishvili / Racha - 1	I.E. Vladimer Gavashelishvili	Vladimer Gavashelishvili	Kvaja Gomi, Oni, Racha		25/09/23	\$	16,272	13,504	2,768		Good
							%	100%	83%	17%		
10	2.2.1 I.E. Amiran Melashvili / Racha - 1	I.E. Amiran Melashvili	Amiran Melashvili	Tsesi Ambrolauri, Racha		29/09/23	\$	17,540	14,279	3,261		Good
							%	100%	81%	19%		
11	2.2.1 I.E. Rusiko Dzneladze/Kakheti -1	I.E. Rusiko Dzneladze	Rusiko Dzneladze	Kakheti	To upgrade Shashkhi processing, smoking, and storage to produce compliant Kakhuri Shashkhi	10/04/24	\$	46,344	24,996	21,348		Good
							%	100%	54%	46%		
12	2.4 Meg Honey Ltd / WG -1	Meg Honey Ltd	Nukri Kikabidze	Chokhatauri, Guria	Facilitate Meg Honey Ltd to increase its honey production capacity, diversify of production line, and export.	24/07/23	\$	18,519	11,508	7,011		Good
							%	100%	62%	38%		
13	2.4 Keke Veli 2000 Ltd / WG - 1	Keke Veli 2000 Ltd	Mamuka Kekelidze	Khelvachauri, Ajara	Facilitate expansion of Georgian Milk Mark (GMM) production to WG Ajara region through co-financing of Keke Veli 2000 Ltd dairy factory.	04/10/23	\$	32,236	18,674	13,562		Good
							%	100%	58%	42%		
14	2.4 Tapli Sakhlishi Ltd / WG -1	Tapli Sakhlishi Ltd	Lekso Nasuashvili	Lanchkhuti, Guria	Facilitate Honey at Home Ltd to improve production facilities, increase the volume of production, and diversify markets via starting the export of Georgian honey.	05/10/23	\$	80,296	43,815	36,481		Good
							%	100%	55%	45%		
15	2.4 Silk Advisory Committee	Preparation for future Silk intervention	Nunu Nakhutvrishvili	Akhmeta, Kakheti	To bring together the main players in the Silk sector to present and discuss Akhmeta Silk pilot intervention idea.	07/12/23	\$	315	315			Good
							%	100%	100%			
16	2.4.1 I.E. Tsolak Grigoryan/ SJ-1	I.E. Tsolak Grigoryan	Tsolak Grigoryan	Gandza, Ninotsminda, Samtskhe-Javakheti	Facilitate expansion and sustainability of the client in the dairy market via added-value product/product diversification and diversify the market.	17/08/23	\$	25,037	12,337	12,700		Good
							%	100%	49%	51%		
17	2.4.1 I.E. Iamze Bolkvadze / KK- 1	I.E. Iamze Bolkvadze	Iamze Bolkvadze	Gumbati, Tsalka, Kvemo Kartli	Facilitate I.E Iamze Bolkvadze, to upgrade equipment, to be HACCP certified, and to apply for GMM	27/03/24	\$	24,076	13,076	11,000		Good
							%	100%	54%	46%		
18	2.4.1 I.E. Giorgi Chkoidze/SJ-2	I.E. Giorgi Chkoidze	Giorgi Chkoidze	Zemo Khvedureti,	Facilitate client to ensure expansion of compliance production and increase	28/03/24	\$	92,061	44,636	47,425		Good

				Kareli, Shida Kartli	collection of wild and home-grown botanicals from rural producers.		%	100%	48%	52%		
19	2.4.1 I.E. Davit Gogiashvili / KK-1	I.E. Davit Gogiashvili	Davit Gogiashvili	Sakdrioni, Tsalka, Kvemo Kartli	Facilitate I.E Davit Gogiashvili, to upgrade equipment, to be HACCP certified and to apply for GMM	29/03/24	\$	37,839	19,589	18,250		Good
							%	100%	52%	48%		
20	2.4.1 I.E. Maia Aleksaia/ KK-1	I.E. Maia Aleksaia	Maia Aleksaia	Jorjiashvili, Tetrtskaro, Kvemo Kartli	Facilitate I.E Maia Aleksaia, to upgrade equipment, to be HACCP certified and to apply for GMM	26/04/24	\$	23,907	14,354	9,553		Good
							%	100%	60%	40%		
21	2.4.1 Royal Honey Ltd/Kakheti-2	Royal Honey Ltd	Giorgi Gomelauri	Akhmeta, Kakheti	Facilitate Royal Honey Ltd to diversify production by adding jams into their product range	01/05/24	\$	21,932	10,737	11,195		Good
							%	100%	49%	51%		
22	3.3 Goderdzi Pass Advocacy	Local initiative group Goderdzi Friends	Diana Egiziarova	Khulo, Ajara	Facilitate Goderdzi Friends field visit in Goderdzi Pass and participation in public hearings held by Khulo Municipality Cityhall, Ministry of Finance and Economy of Ajara and National Environmental Agency. Purchase an unlimited Zoom subscription for efficient weekly meetings.	12/09/23	\$	2,640	2,640			Good
							%	100%	100%			
						14/03/24	\$	538	538			Good
							%	100%	100%			
Service Contracts												
23	Consultant under Outcome 3	P/E Diana Egiziarova	Diana Egiziarova	Tbilisi	Review the Goderdzi Pass Master Plan documents published by Khulo City Hall and updated Strategic Environmental Assessment. Write an evaluation report with recommendations together with the ALCP-facilitated local civil initiative group Goderdzi Friends.	16/10/23	\$	1,445	1,445			Very Good
							%	100%	100%			
						21/03/24	\$	1,470	1,470			Very Good
							%	100%	100%			
24	Consultant under Outcome 3	I/E Jimsher Mamuchadze	Jimsher Mamuchadze	Batumi	Identify and make a list of high conservation value habitats in Mountainous Ajara (Khulo, Shuakhevi, Keda) that need to be preserved and write a report on the importance of preserving the selected habitats and consult with Goderdzi Friends.	24/10/23	\$	5,855	5,855			Good
							%	100%	100%			
25	Simple Service Contract	I/E Gogita Shainidze Geomapping	Gogita Shainidze	Batumi	Make maps of selected habitats (see above).	21/11/23	\$	1,483	1,483			Good
							%	100%	100%			

26	Simple Contract	Service	I/E Mariam Jikia - lawyer	Mariam Jikia	Batumi	Help ALCP2 clients Georgian Beekeepers Union, Jara Beekeepers Association, Womens Rooms Union, and Georgian Milk Mark Federation to change their statutes according to the new law of Georgia on Entrepreneurs.	07/12/23	\$	585	585			Good
								%	100%	100%			
27	Simple Contract	Service	MS Group - SMS marketing service provider	Nino Jafaridze	Tbilisi	SMS service for the promotion of Georgian Milk Mark among consumers.	22/12/23	\$	857	857			Good
								%	100%	100%			
28	Simple Contract	Service	Elkana	Ia Ebralidze	Tbilisi	Bio certification-related consultancy and training for Jara Beekeepers Association and its beekeepers.	01/03/24	\$	1,893	1,893			Good
								%	100%	100%			
							24/06/24	\$	697	697			Good
								%	100%	100%			
29	Simple Contract	Service	IE Erekle Chikvaidze	Erekle Chikvaidze	Batumi	Developing guidelines for extension specialists to help beekeepers in Georgia mitigate and adapt to the adverse impacts of climate change on beekeeping practices.	08/04/24	\$	483	483			Good
								%	100%	100%			
30	Simple Contract	Service	IE Avksenti Papava	Avksenti Papava	Senaki	Data Collection from VET Colleges. Beekeeping Consultancy.	11/04/24	\$	300	300			Good
								%	100%	100%			
31	Simple Contract	Service	PE Nino Tsuladze	Nino Tsuladze	Akhmeta	Legal consultancy for making the statute and other documents for the registration of the association (Georgian Silk Association)	20/05/24	\$	58	58			Good
								%	100%	100%			
32	Simple Contract	Service	Nargiz Baramidze	Nargiz Baramidze	Akhmeta	Conduct training for silkworm farmers in Akhmeta municipality Women's Room.	27/05/24	\$	59	59			Good
								%	100%	100%			

ApiGeo in-home Laboratory (ALCP 2021)

ApiLab Laboratory (ALCP2 2023)

	ApiGeo in-home Laboratory (ALCP 2021)	ApiLab Laboratory (ALCP2 2023)
 <p>Laboratory-focused Goals & Activities</p>	<p>Setting up an in-house laboratory within the factory to rapidly test for antibiotic residues in honey samples, thereby increasing aggregation speed and reducing costs.</p>	<p>Enhancing and commercializing laboratory services to provide beekeepers and other honey-producing companies with access to formal testing services.</p>
 <p>Initial Constraints</p>	<p>The aggregation process was consistently delayed and prolonged due to the lack of quick testing options for honey samples within the country, forcing honey companies, including ApiGeo, to send them abroad, which was time-consuming and costly, often causing misunderstandings and complaints with suppliers.</p>	<p>None of private laboratories in Georgia, offer all the necessary services to honey producers and beekeepers. State laboratories often make errors, lack industry-specific knowledge, are not user-friendly, and charge high fees. Additionally, they cannot provide proper pollen analyses of honey.</p>
 <p>Necessary Actions & Their Justifications</p>	<p>Initially, the company needed equipment and materials for rapid testing of honey samples for antibiotics, which was the main constraint affecting aggregation and the whole sector at that time.</p>	<p>The company now requires more advanced equipment to identify pollen and yeast levels in honey samples, aiming to optimize the aggregation process and enhance production capacity and quality. National accreditation of the laboratory was also needed to commercialize it and optimize costs and revenues. Accreditation is necessary and underway to issue official laboratory reports for customers, as these reports serve as justification documentation in trade negotiations.</p>
 <p>Implementation Process</p>	<p>Fortunately, ApiGeo managed to purchase the entire laboratory in Ukraine, where the samples had previously been sent and tested. The company set up the laboratory in the factory using the same layout as in Ukraine. The staff underwent two months of training and developed testing guidelines and directives.</p>	<p>ApiGeo has acquired an AI-powered innovative microscope capable of analyzing pollen, yeast content, and crystallization levels in honey samples within minutes. Additionally, ApiGeo has founded ApiLab Ltd, which will offer laboratory services to third parties and is currently undergoing a national accreditation process.</p>
 <p>Challenges Uncovered during Implementation</p>	<p>The company faced challenges due to a lack of information and experience in importing laboratory equipment and materials. They also encountered constraints when sending honey samples to international laboratories in Germany and difficulties using an electronic microscope for mechanical pollen counting, which was too time-consuming for the aggregation process. As a result, they reverted to a more primitive and imprecise tasting test. Additionally, there was high amortization of the equipment and materials.</p>	<p>The new AI equipment is highly dependent on internet connectivity and speed. Unfortunately, local providers cannot deliver sufficient speed to that location, which hampers and slows down the testing process. Another challenge for the company is the lack of laboratory specialists. There are few specialists in the country, and even fewer with expertise in food science. The national accreditation standard mandates having at least two laboratory assistants on site.</p>

ApiGeo in-home Laboratory (ALCP 2021)

ApiLab Laboratory (ALCP2 2023)

	<p>Most of the challenges have been overcome, but some of them have been included in the next phase of the intervention. Specifically, the new AI microscope has greatly enhanced the identification of pollen and other quality parameters of honey. The commercialization of the laboratory is expected to optimize its costs and revenues.</p>	<p>The company is exploring a possibility of implementing satellite internet connections, such as Starlink, or other options with local providers. ApiLab plans to establish designated time windows for laboratory services for third parties. This will allow them to concentrate testing into defined periods, ensuring availability of necessary laboratory assistants and optimizing costs.</p>
	<p>The laboratory is able to accurately define the most essential qualitative and safety parameters. The company could identify all commonly used antibiotics and most qualitative parameters, except for pollen, yeast, and crystallization levels. The results were verified multiple times in an international laboratory, and they consistently matched.</p>	<p>The laboratory can rapidly identify and define the pollen and yeast content, as well as the level of crystallization in honey. It will also be able to issue official laboratory reports for beekeepers and other honey companies (currently in progress).</p>
	<p>Beekeepers receive answers much faster during aggregation, allowing them to be better informed about their honey and to informally check and recheck possible contamination levels. Supplier beekeepers often leverage their ApiGeo supplier status to sell other types of honey to other companies or intermediaries, confident in the quality of their products. This assurance has led to behavioral changes among beekeepers, such as reducing use of antibiotics or altering honey extraction periods to improve the quality of monofloral honey.</p>	<p>Beekeepers will be better informed about the quality parameters of their honey, particularly pollen content and crystallization level. This knowledge enables them to adjust practices to improve quality and capacity, thereby increasing their income. They can also receive official laboratory reports, which are used as evidence in trade negotiations.</p>
	<p>Other honey companies aggregate honey from ApiGeo suppliers, confident in the high-quality production standards maintained by these beekeepers.</p>	<p>Other honey producer companies can benefit from more tailored, precise, faster, cheaper, and user-friendly laboratory services. They will receive official laboratory reports that can be used in trade negotiations and for export (if there are no additional requirements from the importer's side). Access to such services increases the companies' confidence in their products.</p>
	<p>ApiGeo has significantly increased its aggregation speed from 3-4 months to just 2-3 weeks, while also reducing testing costs. The company's authority and trust have grown, strengthening partnerships with suppliers and business partners and positively impacting trade conditions</p>	<p>ApiGeo will see improvements in production quality, capacity, and speed, as well as increased confidence in their products. It can utilize ApiLab laboratory reports for both domestic and potential export cases (e.g., Gulf countries). Commercializing the laboratory can help optimize costs and amortize equipment expenses more effectively.</p>
	<p>Unstable and low honey harvest derived from the effects of climate change Outbreak of diseases High dependence on acacia honey export market Concentration on one export market and client</p>	

ApiGeo in-home Laboratory (ALCP 2021)



Unintended Effects

Several times third parties, including beekeepers and honey producer companies, have informally rechecked honey samples in the laboratory. For example:

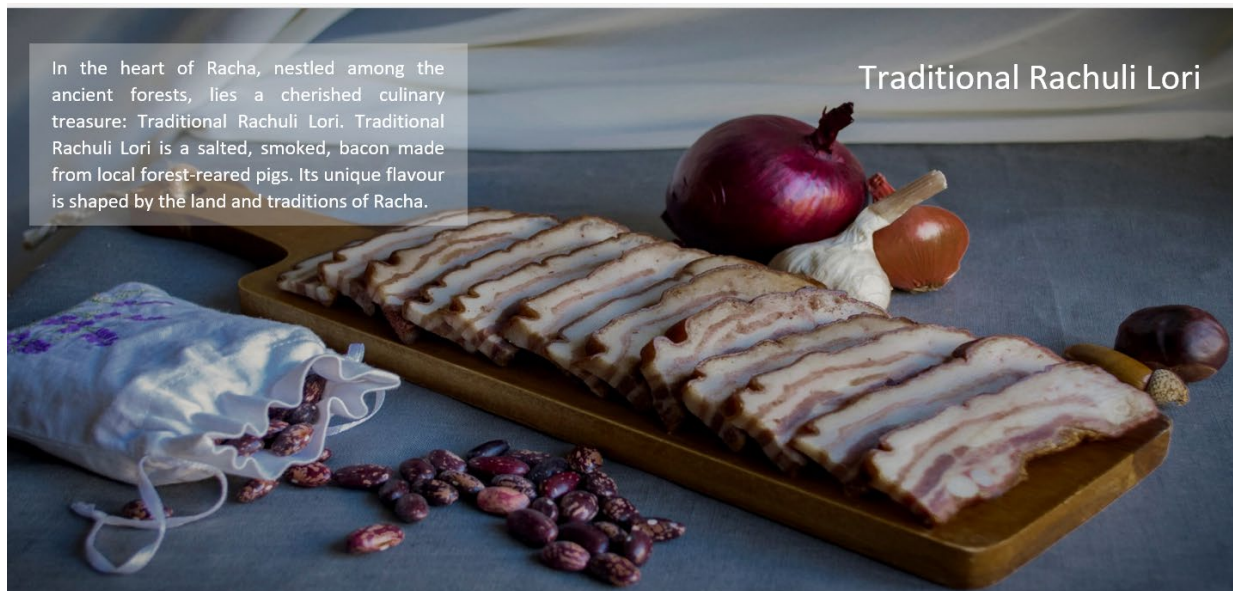
Taplikatsi Ltd faced a situation where the State Laboratory of Agriculture (SLA) identified antibiotic residues in its honey export batch. On reasonable grounds, Taplikatsi asked ApiGeo to recheck the results. ApiGeo recheck found no contamination. Taplikatsi then appealed to the SLA for a re-evaluation of the initial results, which confirmed the error. As a result, the company was able to successfully export the honey.

Additionally, several beekeepers requested rechecks for antibiotic contamination in their honey. They sought reassurance about the absence of residues, especially since they had used antibiotics years prior.

ApiLab Laboratory (ALCP2 2023)

There are opportunities for synergy with other programme interventions that could enhance the precision of laboratory results, speed up processes, and facilitate behavioral changes among beekeepers.

Integrating results from comprehensive research conducted by the Georgian Beekeepers Union could provide deeper insights into Georgian honey characteristics. This enhanced understanding can improve ApiLab services. Besides the laboratory can continue to add information and update the GBU database of honey forage. This integration can help in mapping and understanding honey sources more accurately, leading to better-informed decisions and practices. ApiLab can leverage additional data and research to refine its services, improve precision, and support beekeepers in optimizing their practices.



In the heart of Racha, nestled among the ancient forests, lies a cherished culinary treasure: Traditional Rachuli Lori. Traditional Rachuli Lori is a salted, smoked, bacon made from local forest-reared pigs. Its unique flavour is shaped by the land and traditions of Racha.

Traditional Rachuli Lori

Problem Background

- Lori production is limited. Producers cannot produce enough Lori
- Poor production, processing, smoking, and storage facilities
- Lack of any clear standards for traditional Rachuli Lori production
- Lack of accessibility facilities such as laboratory tests

The ALCP2's Work So Far

- Market research conducted in 2022 to assess the Lori market.
- Traditional Lori production standards developed between Lori producers, MEPA, and the NFA, 2023.
- Standards for Lori production prepared and submitted to the National Intellectual Property Center of Georgia (Sakpatenti) in 2023 for Geographical Indication of 'Traditional Rachuli Lori'.
- Facilitated Lori producers and the Georgian-Swiss Intellectual Property Project to review production standards for GI standards.
- Seven Lori producers co-funded in 2023 for improved facilities.
- July 2024, fifteen additional producers co-funded.
- Going forward the ALCP2 will co-fund a mobile laboratory service and facilitate a Lori producers association for self-regulation of production standards.

"I nearly lost my motivation to continue producing Lori because fake Rachuli Lori was for sale everywhere, but the ALCP2's dedication and support for the improvement of my infrastructure hugely inspired me and the youth of my village, who saw how I developed with your help"

Konstantine Tagvadze, Lagvanta

"Our village attracts local and foreign tourists in the summer, who always want traditional dishes. However, we couldn't offer Lori due to storage limitations. With improved facilities, I can now store the product and provide it to visitors, allowing me to promote Traditional Rachuli Lori and generate additional income."

Sophio Gogrichiani, Likheti

Vision

Enhancing the production standards of Traditional Rachuli Lori, product of Geographical Indication and building production and storage facilities will boost Lori's image and elevate Racha's reputation. Producers will increase production and buy more forest-reared pigs from local farmers to meet growing consumer demand. Racha shows promising potential for sustainable agri-tourism.

Producers will recognize the opportunity to showcase Lori production traditions to attract tourists. Hosting product-tasting events here and highlighting their remarkable forest heritage. This will inspire other Lori producers to improve their production standards and emulate the successful model. Producers will form an association to self-regulate and protect their standard. Further enhancing the prestige of the Geographical Indication product Traditional Rachuli Lori.

The ALCP2 Facilitated Lori Producers





Overview

The ALCP2 is a continuation and evolution of the Alliances programme (www.alcp.ge) and is in its 15th year of programming. The ALCP2 started in May 2022. It had always been an agricultural programme focusing on the small-scale livestock producers of Georgia. It started in dairy and meat, included wool and then honey and now includes dairy, honey, forest reared bacon, wild botanicals and silk market systems. It has always been a market systems development programme and is being audited according to the DCED standard for results measurement for the third time, later this year.

The programme has reached more than half a million HH's with nearly 60 million USD generated in net attributable income and over a thousand full time jobs, as well as generating considerable, well documented behavioral and sectoral change.

Sustainability has always been an important aspect of programming. However, the ALCP2 has overtly pivoted to mainstreaming environmental and social as well as financial sustainability in all its programming. It is focused on finding practical methods to ensure green impact. This presentation will examine two aspects of this mainstreaming or 'Greening MSD', in sector selection and the evolution of the programme's honey sector work from 2014 and in developing climate smart inputs from 2022. This presentation provides practical insights into MSD programming in which social and environmental sustainability are integral rather than programming based mainly on increasing production.

The ALCP2 implemented by Mercy Corps Georgia, is funded by the Swiss Development Cooperation (SDC) in cooperation with the Austrian Development Cooperation (ADC) and Sweden.

END NOTES

- ⁱ This indicator amalgamates impact from different indicators across all outcomes.
- ⁱⁱ Figures for ethnic minorities are rough estimations based on information from the programme clients. These figures will also be adjusted through impact assessment surveys.
- ⁱⁱⁱ The programme captured 6 crowding in cases, currently the enterprises are in the construction process and they soon start generating NAIC.
- ^{iv} *Women's Rooms Union; GMM dairies, GBU and Honey Companies.*
- ^v This is based on the GBU and Women's Rooms beneficiaries. These are the interventions where the programme already conducted impact assessment and 94% of respondents confirmed their satisfaction and improved wellbeing.
- ^{vi} *GBU, ROKI, Momavlis Fermeri, Beeswax Foundation and Climate-adapted Beehives.* The GBU figures were adjusted through the honey impact assessment.
- ^{vii} *GBU 2,939 beekeepers, ROKI 961 Livestock farmers, Beeswax & Climate Adapted Beehives 345: ROKI's Rumifos users increased milk yield & liveweight of cattle around 10%, and according to honey impact assessment, 10% is increased productivity for GBU beneficiaries.*
- ^{viii} *GBU (Armenia NGO Association1), Momavlis Fermeri (Dmanisi VET college integrating study module1).*
- ^{ix} *Women's Rooms Union (2), GBU (3).*
- ^x *Beehive producers (climate smart beehive standards RDA 1), GBU (Mukhuri Bee Centre GoG, National VET standards MEPA, Disease quarantine MEPA, climate smart beehives financing RDA, beehive registration threshold MEPA, trainee funding RDA 6), and sustainability Animal Movement Route (1).*
- ^{xi} Around 90% of GBU, Momavlis Fermeri, Beeswax & Climate Adapted Beehives beneficiaries. GBU beneficiaries in impact assessments and others in qualitative interviews report satisfaction with provided services and information.
- ^{xii} 80% of *GBU & RDA* training participants adopted new practices. From the post-test and qualitative interviews, we know that Roki and Momavlis Fermeri training participants are also satisfied with the content, and we will quantitatively measure actual adaptation of the practices in the next impact assessment.
- ^{xiii} *Momavlis Fermeri climate adaptation for livestock farmers training through 12 ICC's, Roki's climate smart product roll-out through 33 Vet pharmacies, Beehives producers (2), Beeswax Foundation Producer.*
- ^{xiv} 6,900 beekeepers registered in *GBU* database were covered through SMS, videos, Facebook live streams and TV/social advertisement; *Momavlis Fermeri* 360 farmers trained, ROKI trained 248 farmers. Also, JRC reached 421,000 viewers out of whom 39% are estimated to be rural producers i.e. **164,136**, through three TV channels, content was related to sustainable agriculture, natural resource management and climate change adaptation.
- ^{xv} *GBU and Momavlis Fermeri* trainings, brochures, SMS, Youtube, Facebook and two TV (Public broadcaster and Adjara TV), JRC: 15 regional TV.
- ^{xvi} Vocational Educational Standard in Beekeeping is upgraded and will be implemented in 13 colleges in 2024.
- ^{xvii} 208 students (121 in 2023 and 87 in 2024) graduated Jara VET courses from 8 colleges. Out of them, 18% were youths and 28% women.
- ^{xviii} *GBU*: 302 trainings, 5 SMSs, 4 Videos, 55 Livestream, 2 brochures; *Momavlis Fermeri*: 4 video, 12 livestreams, 200 printed books; JRC: 15 regional TV stations.
- ^{xix} 80% in *GBU* impact assessment, 100% in Roki and *Momavlis Fermeri* post-tests.
- ^{xx} *Roki, Beehives producers (2), Beeswax foundation producer.*
- ^{xxi} In total, Women's Room Access to Finance amounted to 1,111,160 Gel and MSME's access to funds amounted to 1,566,589. Including *GMMF* signed a grant agreement with *RSMEDP* to co-finance dairies for access to finance, accountant, and BDS services (107,837 Gel) & 6 dairies financed by Land of Lakes with 228,830 GEL / 85,704 USD through *GMMF*.
- ^{xxii} 12 MSMEs accessed grants and 5 MSMEs accessed loans. Some of them accessed both and without overlap total number of MSME's accessed external funding is 14.
- ^{xxiii} *GMP/GHP assessments for Honey (1). Royal Honey; Wild botanicals (2) Noma Ltd and Sunelis Sakhli; Dairies (7): Akhali Produkti, Alpuri Javakheti, I.E. Gogiasvili, I.E. Bolkvadze, I.E. Aleksaia, I.E. Oniani, Trialeti Cheese Ltd & Kakhuri Sashkhi (1) I.E. Grdzeldadze;*
- ^{xxiv} 85 jobs created through *Women's Rooms* access to finance component. This figure was double checked and adjusted through *Women's Rooms Impact Assessment 2024*.
- ^{xxv} *GMM* (dairies Ninotsminda, Telavi, 2) *Api-Geo* (Kutaisi,1).
- ^{xxvi} *GMM* dairies (15), honey (4).
- ^{xxvii} Dairy (2), Honey (11) and Lori (1): Out of them, 5 are ongoing and in 9 cases desired objectives have already been reached.
- ^{xxviii} Dairy (5), Honey (6), Wild Botanicals (2).

- xxix *JBA* started group bio certification for 26 beekeepers selling into the export value chain & *JBA* diversified production through producing cold pressed bio Jara honey (2). Rachuli Lori Producers (22) and Sashki (1). *Meghoney & Royal Honey*, *Taflis Sakhli* diversified production (3) Dairy enterprises (11).
- xxx 24 supermarket chains with *GMM* products.
- xxxi 16 *GMM* dairies started supplying dairy products to new selling points.
- xxxii In the honey sector, 9 advocacy initiatives reached desired objectives.
- xxxiii *GBU* and *JBA* services to its members & *GMMF* e.g. hive spraying, training, information services, hive certification
- xxxiv On average, 93% of *GMM* and *GBU* members pay the membership fee. In *GBU* there are 13 new members who are not paying so far, but they will start paying from September 2024.
- xxxv 80% of *JBA* members, 87% of *GBU* members and 100% of *GMF* members reported improved sense of representation.
- xxxvi Rachuli Lori and Kakhuri Sashki applied for registration as products of Geographical Indication to *Sakpatenti*.
- xxxvii Rachuli Lori (1) and Kakhuri Sashki will also start production from the next seasons.
- xxxviii Local forest-reared pigs.
- xxxix Lori coordination meetings and meetings with Lori producers (8).
- xl *JBA* bio certifications for 29 beekeepers & 11 dairies gained *GMM* certification.
- xli Dairy entities (11); Wild Botanicals (3): *BLG* (Mulberry), *Sunelis Sakhli*, *Noma Ltd*; Honey companies (4): *Api-Geo*, *Roya Honey*, *Meg-honey*, *Taflis Sakhlishi*; Lori Producer (22), Sashki Producer (1).
- xlii *ALCP2* organized three public hearings in Khulo municipality, also the programme facilitated *JRC* to cover the meetings and *Goderdzi* Development Plan through *TV25*, *AgroGaremo*, *TokTV* reached around 164,136 rural producers. Women's Room *Ecovision* cooperation organized 4 meetings in 4 municipalities about environmental and energy eco efficiency issues attended around 100 participants. Women's Rooms in *Telavi* organized awareness rising meeting on the same topic and around 300 visitors participated in the event.
- xliii Khulo city hall public hearings & The Ministry of Finance and Economy of *Ajara* disseminated information about *Goderdzi* Pass Development Master Plan (2); The government ensures free access to mulberry tree plantation (8 ha) in *Akhmeta* (1).
- xliv *Martvili* Women's Room.
- lv Women's Rooms Hub, number of entities expanded their business through access to finance (15).
- lvi *Women's Room* (local gender equality implementation1) and *Goderdzi Alpine Garden* & Protecting mountainous *Adjara* (stopped illegal construction, masterplan environmental recommendations, preservation of forest around *GAG*, creating protected landscape 5).
- lvii Estimated 52% of Outcome 3 beneficiaries are women: this indicator will be adjusted and further analyzed through Outcome 3 impact assessment.
- lviii Coverage of *Goderdzi* Development Plan through *JRC*. Women's Room, *Ecovision* Cooperation organized 4 meetings in 4 municipalities about environmental and eco energy efficiency issues attended around 100 participants. Women's Rooms in *Telavi* organized awareness rising activity on the same topic (energy efficiency) and around 300 youth participated in the event.
- lxix *Goderdzi* Friends bringing together public (local and regional), private (consultancy firm) and civil society (1); Women's Rooms and *Ecovision* partnership to increase awareness on sustainability and energy eco efficiency (1).
- ¹ Khulo rural population 27,400 and *Ecovision* information meetings in *Lagodekhi*, *Kvareli*, *Gurjaani*, *Tsalka* (100 participants).
- li Women's Rooms training participants.
- lii This figure is adjusted according to the updated *Women's Rooms* data: it includes events (524), trainings (416) and community meetings (168) organized in *Women's Rooms*.
- liii *Women's Rooms* Union signed memorandums with *Ecovision* and *Heks-Eper Georgia* & Also, 30 other organizations cooperate with Women's Rooms & In Spring 2024 Alliance of Women With Disabilities and Safe Online Programme added (2).
- liv Local initiatives voted for in community meetings in 2024 in which *WR* managers ensure inclusion of women and people with special needs and ensuring their votes and initiatives are voted upon to be funded by the municipality. E.g. kindergardens, lighting, water systems, waste management.
- lv Preservation of the *Goderdzi Alpine Garden* and surrounding forest areas & Creation of a protected landscape in mountainous *Ajara* & *Goderdzi* Friends' comments on Master Plan (3)
- lvi Stopped ongoing construction around *Goderdzi Alpine Garden* & *The Goderdzi Friends'* initiative halted the *Goderdzi* master plan approval process which would damage *Goderdzi Landscape*, *Goderdzi Friends'* initiatives on recommendations were addressed (3)
- lvii *Samegrelo* Botanical Garden visit to *GAG* for understanding the model also with local government officials (1), *Goderdzi* friends two day field trip and discussion on *Goderdzi* Development in *Goderdzi* visits (1), convening stakeholders and exchanging knowledge concerning sustainable rural development, biodiversity and the role of botanical gardens with *Bakuriani Botanical Garden* (1), *Ilia State University* & *Bakuriani Regional Development* and *Tbilisi Botanical Garden* (1), Creation of a *MAP* of high conservation value areas in mountainous *Adjara* (1).