Strengthening Community Based Farmers' Groups and Agricultural Services in Samstkhe-Javakheti, Georgia



2008 Page 1 of 15

EXECUTIVE SUMMARY

The twelve month long programme, 'Strengthening Community Based Farmers' Groups and Agricultural Services in Samstkhe-Javakheti' was implemented in four municipalities of the Samstkhe-Javakheti region: Akhlaktsike, Adigeni, Aspindza and Akhalkalaki. The programme supported local farmers' groups and agricultural service providers in order to strengthen their capacities, improve market linkages and strengthen connection with the regional and local government. By strengthening linkages to form a more systematised agricultural support network, the project aimed to increase the number and value of transactions between farmers and agricultural service providers, and thus improve their productivity and sustainability. The project aimed to increase the market share and incomes of small-holder farmers by focusing specifically on improving the quality and range of affordable input supply, extension and marketing services for the farmers.

During the implementation of this programme, significant progress was made towards achieving the overall objective of developing Sustainable fee-based extension services by local government, Agricultural Service Providers and Farmers' Groups, enabling small scale farmers in Samtskhe-Javakheti to increase incomes and productivity in the agricultural sector through the achievement of the two expected results:

- **ER1:** Farmers' Groups and Agricultural Service Providers have strengthened capacity to support income generating activities at the community level, and
- **ER2:** Linkages and coordination between Farmers' Groups, Agricultural Service Providers and Local Government are strengthened.

Key achievements of the project include:

- Increased quality and availability of affordable services from FGs and ASPs reported by 87% of small scale farmers
- ASPs and FGs report 78% increase in volume of transactions with small scale farmers. This far exceeds the initial target of 20%. The vast majority of FGs had very irregular and sporadic (on average 4-5 per agricultural season) transactions with ASPs previously, while as a result of this programme the relationships are much closer and the volume of transactions have significantly increased.
- The capacity building component of the programme has led to 8 ASPs and 20 FGs having improved mechanisms in place to ensure effective service provision for these small scale farmers. This is beneficial and profitable both for the organisations and local farmers, which ensures their continuation beyond the programme implementation period.
- 3,000 small scale farmers (members and non-members of FGs) use ASPs services and advanced agricultural technologies, to which they have been introduced through sub-grants, participation in trainings and demonstrations and agricultural brochures. This far exceeds theinitial target of 1,500 small scale farmers due to the unexpected scale of the uptake of ASPs services and advanced agricultural technologies. More farmers than expected have appreciated the economic benefits of the services and technologies partly due to the success of Mercy Corps', and other NGOs', projects in the region that have promoted these services and technologies.
- As a result of receiving training through this programme, Farmer Groups and Agricultural Service Providers have been using their newly acquired skills identifying profitable businesses, developing viable business plans, improving marketing, collecting milk and complying with food safety requirements.
- The training of trainers approach increased the capacity of ASPs to provide more appropriate services and trainings to the clients during and after the programme implementation and not rely solely on the trainings which are provided by donor-funded programs. 8 ASPs (out of a target of 6) are providing high-quality affordable services and certified affordable agricultural inputs (seeds, plant protection means, fertilizers, etc) to local FGs and small scale farmers
- Four municipal agricultural Lobby Groups were created and then their members established a regional agricultural Lobby Group. The regional agricultural lobby group identified six important problems for the farmers in Samtskhe-Javakheti region and developed respective documents and lobbied for the resolution of those problems on the regional and central

2008 Page 2 of 15

level. Six respective documents with recommendations on how to address important agricultural issues were developed and presented to the authorities. As a result of this action, two of these issues have been taken up and have received funding from a variety of sources for their resolution. The Regional Lobby Group is continuing its activities after the completion of the programme, as it is useful forum for collaboration between farmers and government. As a result of the action, 80% of FGs & ASPs report improved relationship and coordination with local government.

Assessment of implementation of Action activities

Activities and results

Expected Result 1: FGs and ASPs have strengthened capacity to support income generating activities at the community level

Organise preliminary information gathering meetings with ASPs, FGs and regional and local government

Upon the programme start-up, initial information meetings took place in the communities of all four target municipalities in February 2010. Meetings were organized with individual farmers, farmer group members, agricultural service providers and municipal and regional government representatives. Participants received detailed information about the programme and learnt how to directly benefit from the opportunities offered by the programme. The following information was provided:

J	Goals of the programme
J	Objectives of the programme
J	Anticipated activities of the programme and potential beneficiaries
J	Requirements for the FGs and ASPs for collaboration.
J	The role of the European Union as the donor

At the same time, preliminary information was gathered regarding the existing FGs and ASPs about their activities and organizational capacity. Together with this, relationships were established and possibilities for collaboration with the municipal and regional authorities were examined. In total 35 meetings took place in the municipalities of Akhaltsikhe, Adigeni and Aspindza, Akhalkalaki with the participation of approximately 2,000 people.

Carry out an Initial needs assessment of ASPs and FGs to identify gaps for successful collaboration and interests with local government

The initial needs assessment survey was conducted in February-March 2010 and covered 31 existing FGs and 15 ASPs, operating in the region. The assessment was conducted through key informant interviews with the management of ASPs and FGs as well as focus group discussions with FGs' members. The objectives of the assessment were to assess and identify:

- The status of relationships between ASPs and FGs, and identify the gaps in collaboration between these groups
- The status of relationships between local and regional governments with ASPs and FGs
- The needs of local farmers, particularly small scale farmers on input supply, extension services, veterinary services, business services and marketing
- The quality of agricultural technologies used by the local farmers
- The profitability and financial situation of ASPs and FGs
- The quality and quantity of services offered by ASPs to farmers, and the opportunities for ASPs to develop new and better services
- The affordability and profitability of new services identified as opportunities for development for FGs and ASPs
- The opportunities for collaboration between Local and Regional government representatives and ASPs and FGs

The information was analysed and both statistical and analytical data were included in the report of the needs assessment survey. The comprehensive survey report developed by the programme is provided in Annex 1. Main findings of the assessment are given below:

Majority of (79%) the Farmers Groups are registered with support of donor-funded programmes and receive support from them.

2008 Page 3 of 15

- The main activity of FGs is production and agricultural input supply, rather then marketing.
- The relationships between ASPs and FGs are weak; transactions happening sporadically.
- The main needs of the farmers include: machinery service, transportation of products, information about new technologies/extension services and input supply.
- The farmers realise that the quality of agricultural technologies currently used by them are not sufficient however they are willing to upgrade
- The revenue and profitability of ASPs and FGs reduced in 2009 compared to 2008. One reason for this was reduction in harvest and milk yields due to weather conditions. Another reason was that a range of international and local NGOs involved in the direct delivery of free services and inputs to the farmers, caused a reduction in the demands on fee-based services and inputs, provided by local ASPs and FGs.
- The most significant services that FGs provide to their members are seed materials (23%) and machinery services (16%).
- There is limited collaboration between Local and Regional government representatives and ASPs and FGs, however there is interest from stakeholders to improve collaboration.

These findings were taken into consideration and used during the planning and implementation of the programme activities.

Train FGs and ASPs in: Organizational Management; Accounting and Taxation; Marketing; Supplier Credit Schemes; Finance services from Banks/MFIs; Food Safety and HACCP Compliance

Sixteen trainings were provided by ABCO experts to 238 representatives of FGs and ASPs in all target municipalities. Among the participants, 55 were women. Topics of the trainings included:

- Business Planning
 - Organizational Management
 - Accounting and Taxation
 - Marketing
 - Supplier Credit Schemes and Financial services from Banks and Micro-Financial Institutions
- Milk collection and primary processing
- Food Safety and HACCP Compliance

Please see the below table with detailed participant information:

Training topic	Municipality	Numb	er of participa	ants
		Men	Women	Total
Business planning (organizational management, accounting/taxation, marketing)	Adigeni	11	5	16
	Aspindza	16	2	18
	Akhalkalaki	12	3	15
	Akhaltsikhe	11	4	15
Supplier Credit Schemes; Finance services from Banks and Micro-Financial Institutions	Adigeni	10	1	11
	Aspindza	12	3	15
	Akhalkalaki	15	5	20
	Akhaltsikhe	12	4	16
Milk collection and primary processing	Adigeni	12	5	17
	Aspindza	12	3	15
	Akhalkalaki	12	6	18
	Akhaltsikhe	14	2	16
Food Safety and Hazard Analysis and Critical Control Points (HACCP) Compliance	Adigeni	4	6	10
	Aspindza	9	3	12
	Akhalkalaki	11	0	11

2008 Page 4 of 15

	Akhaltsikhe	10	3	13
Total		183	55	238

Following the trainings, the Farmer Groups and Agricultural Service Providers have been using their newly acquired skills to identify profitable businesses, develop viable business plans, improve marketing, improve their milk collection and comply with food safety requirements.

Carry out trainings of trainers for ASPs in appropriate advanced agricultural technologies in vegetable/potato production, livestock breeding, fish-farming, bee-keeping

Six trainings of trainers were provided by ABCO experts to 106 representatives of local ASPs, representing all target municipalities. Among the participants 29 were women. Topics of the trainings included:

Business planning
Vegetable/Plant growing technologies
Potato growing technologies
Livestock breeding
Fish-farming
Bee-keeping

The aim of these ToTs was to ensure that ASPs have qualified staff and specialists with adequate and accurate knowledge of high-productive agricultural technologies. These specialists acquired special training skills, which enable them to pass their knowledge to the local farmers. This approach ensured increase of the capacity of ASPs to provide more appropriate services and trainings to the clients during and after the programme implementation and not rely solely on the trainings which were provided by donor-funded programs.

Participants improved their training skills and subsequently applied this knowledge to train local farmers. This activity significantly contributed to: the sustainability of the programme enabling ASPs to improve collaboration with local farmers and provide them with additional service, i.e. trainings.

Facilitate trainings provided by ASPs to FGs in: appropriate advanced agricultural technologies in vegetable/potato production, livestock breeding, fishery, bee-keeping

Fourteen trainings provided by ASPs were facilitated by Mercy Corps and ABCO to 196 individual farmers and FGs members from the region. Among the participants were 23 women. Topics of the trainings included:

Potato growing technologies
 Veterinary and animal diseases
 Bee-keeping and honey production
 Livestock breeding and feeding
 Modern agricultural machinery and its utilization
 Fish-farming

The role of Mercy Corps and ABCO in this case was not direct intervention, but to bring interested parties together for their mutual benefit. Qualified ASP staff and specialists provided trainings to 196 local farmers. Monitoring undertaken by the end of the programme has demonstrated, that both farmers and ASPs were satisfied with the results of the trainings, as farmers are using skills gained during the trainings in their agricultural activities and for ASPs the trainings were an additional opportunity to promote their services and inputs. The practical benefits of the utilisation of the facilitation approach, rather than direct support, ensured that the trainings in agricultural skills and technologies are provided to the farmers after the programme is completed. These trainings helped both ASPs and local farmers to have closer collaboration and encouraged ASPs to provide more efficient services and a higher volume of services to farmers.

Participants improved their skills through the trainings provided by ASPs and are applying this knowledge to their business and agricultural activities. ASPs plan for future activities to continue the trainings and in certain cases use them as embedded services over the selling of agricultural inputs.

2008 Page 5 of 15

Facilitate information sharing between ASPs and FGs regarding the services available for the farmers and utilization of appropriate advanced agricultural technologies

Four formal (one in each target municipality) and eight informal (two in each target municipality) meetings were organized in all municipalities, with representatives of 10 ASPs and 24 FGs. In total, 80 persons (16 women) participated in the meetings. Additionally, three farmers' groups from Akhalkalaki municipality conducted a total of nine demonstrations of the modern technology for potato growing. Representatives of FG's and ASPs from all target municipalities, as well as NGOs, various business entities, local and regional government representatives attended this action. In total, 387 persons (23% women) participated in information sharing activities.

The goals achieved with this activity include:

- Relations were established between FGs and ASPs from all target municipalities.
- Information regarding the services available for the farmers from ASPs was shared.
- Information was provided to the individual farmers and FGs regarding the certified agricultural inputs (seeds, plant protection means, fertilizers, etc) available to buy from ASPs.
- Linkages strengthened between FGs and ASPs to buy and sell inputs and services.
- The results of the utilization of appropriate advanced agricultural technologies in potato growing was demonstrated.

Set up application process and criteria for providing small grants to ASPs and FGs

Mercy Corps and ABCO developed application criteria for FGs and ASPs to apply for sub-grants. These criteria were the following:

- Sub-grant recipient must operate in Samtskhe-Javakheti region and be a legally registered entity
- Sub-grant recipient must have at least one year of experience in business development and/or agricultural sector
- Sub-grant recipient must have qualified staff and ability to implement diverse types of activities
 Sub-grant recipient must have clearly formulated business idea
- Sub-grant recipient must have ability to develop and implement viable business plan
- Sub-grant recipient must have ability to develop new services and increase number of clients
- Sub-grant recipient Farmers Group ethnic composition has to reflect real ethnic composition of the community, where the organization operates
- At least 20% of members of the sub-grant recipient Farmers Group must be women
- Sub-grant recipient Farmers Group must have opportunity and willingness to develop new agricultural technologies
- In-kind and cash contribution of the sub-grant recipient must be minimum 25% of the total cost of the project (among them, at least 10% must be cash contribution)

Clear criteria for the selection of local registered Farmers Groups and Agricultural Service Providers as sub-grantees was established to ensure funding of a profitable and viable business. In-kind, labour and cash contributions of 25% from the sub-grant recipient was a requirement. This was required to ensure ownership of the project by the sub-grantee and further sustainability. The investment of sub-grantees' own recourses also demonstrated commitment to the business plan and ensured the successful implementation of the project from their side.

The application process for the small grants was developed with ABCO. An announcement was published in the local press (newspaper "Southern gate" and regional TV) about the grant competition. A draft preliminary application form was developed (Annex 2), and successful applicants were required to complete a business plan (Annex 3). Submitted proposals were discussed by the grant committee composed by the Mercy Corps and ABCO staff. In total, three grant committee meetings were conducted during the project. In total, 39 proposals were reviewed and 14 were selected for the funding.

2008 Page 6 of 15

Disburse small grants for ASPs and FGs for service development; implementation of advanced agricultural technologies, organizational strengthening

In total, 14 small sub-grants were disbursed to ASPs and FGs for service development, implementation of advanced agricultural technologies and organizational strengthening for the amount of GEL 46,091.03 (Euro 19,731.13). The total in-kind, labour and cash contribution of the grant recipients was GEL 56,480 (Euro 24,178.55), including GEL 10,336 (Euro 4,438.23 cash contribution. The minimum amount of the sub-grant was GEL 1,680, while the maximum amount awarded was GEL 6,282. Sub-grant recipients and types of the projects are given in the table below:

	Organisation name	Organization type	Municipality	Purpose of sub-grant
1	Cooperative "Khulgumo"	Farmers Group	Akhalkalaki	Seed potato growing and selling
2	Association "Kotelia"	Farmers Group	Akhalkalaki	Seed potato growing and selling
3	Cooperative "Five Stars"	Farmers Group	Akhalkalaki	Seed potato growing and selling
4	Akhalkalaki Rural Service Centre	Agricultural Service Provider	Akhalkalaki	Agricultural machinery service, Seed potato growing
5	Association "Anluchi"	Farmers Group/ Agricultural Service Provider	Akhaltsikhe	Agricultural machinery service
6	Association "Tuberi 2008"	Farmers Group/ Agricultural Service Provider	Akhaltsikhe	Agricultural machinery service
7	Association "Rustavi 2010"	Farmers Group	Aspindza	Agricultural machinery service
8	Association "Khidi 2010"	Farmers Group	Akhaltsikhe	Fish farming, breeding of fry fish
9	Cooperative "Dzveli Rdze"	Farmers Group/ Agricultural Service Provider	Aspindza	Row milk collection and selling
10	Fruit processors association	Farmers Group/ Agricultural Service Provider	Adigeni	Marketing of fruit juices and jams
11	Bee-Keepers house	Farmers Group/ Agricultural Service Provider	Akhaltsikhe	Honey packaging and selling
12	Akhaltsikhe Rural Service Centre	Agricultural Service Provider	Akhaltsikhe	Potato storing and marketing
13	Association "Ude Technics"	Farmers Group/ Agricultural Service Provider	Adigeni	Agricultural machinery service
14	Association "Agro-info 2008"	Service Provider	Akhalkalaki	Organisational development and farmers training service

Publish and disseminate training materials and programme activities among the stakeholders

A programme leaflet, describing programme goals and activities, was published and 200 copies were disseminated among the stakeholders, i.e. FGs members, ASPs management and staff, individual farmers, central, regional and local government representatives. All the participants of the trainings, and ToTs who participated in the programme have received their respective training materials in the form of handouts. In total 3,300 brochures were developed and published about important agricultural issues and new technologies. The topics of the brochures were: Brucellosis; Impact of the livestock health on the milk content; Drip irrigation; Feeding of cow; Producing of queen bees; Potato varieties and demand on the seed material; Livestock breed improvement; Marketing; Untilled planting technology; What the livestock farmer must know; Credit schemes in agriculture; Foot and mouth disease; Planning of veterinary measures; Rearing of calves.

2008 Page 7 of 15

These booklets were disseminated among the programme beneficiaries in the target area. These brochures assist farmers with their everyday agricultural work as well as initiating ideas for new market and technologies, which help them for better production and selling of the products.

.

Expected Result 2: Linkages and coordination between FGs, ASPs and LGs are strengthened

Organise joint workshops to achieve close collaboration between ASPs, FGs and the government at municipal and regional level

Eight joint workshops were conducted with the participation of Agricultural Service Providers, Farmers Groups and representatives of municipal and regional authorities to achieve close collaboration between these stakeholders. These meeting were attended in total by 132 people. In these meetings, municipal agricultural lobby groups members were selected in Adigeni, Aspindza, Akhaltsikhe and Akhalkalaki districts. Each of these groups consists of six members (five members of Farmers Groups and Agricultural Service Providers as well as one representative of municipal government). The gender breakdown of these lobby groups is as follows:

```
    Akhaltsikhe – 6 persons (all men)
    Adigeni – 6 persons (2 women, 4 men)
    Aspindza - 6 persons (2 women, 4 men)
    Akhalkalaki - 6 persons (1 women, 5 men)
```

Regional Agricultural Lobby Group created with membership of all stakeholders, i.e. ASPs, FGs, local government and regional government

In addition to the four municipal lobby groups mentioned above, one regional lobby group was established with a membership of 24 persons (5 women, 19 men). A 5 person management board was elected, which consists of representatives from all four target municipalities lobby groups and one from the regional government. Ms. Marina Chakhnashvili was elected as chairperson of the management board. The main task of the regional lobby group is to work together with municipal lobby groups to identify the most important agricultural issues in the region and lobby for their solution on the local and central government level.

Statute and goals of Regional Agricultural Lobby Group developed and regular quarterly meetings of the regional Agricultural lobby group established

The statute of regional agricultural lobby group was developed by the group with support of the programme staff and approved by the lobby group general meeting in November 2010. The statute defines all goals, objectives, possible activities and management structure of the Lobby Group. In total nine meetings of the Lobby Group were conducted, where the most important agricultural issues for the region were identified, discussed and ways to address them with support of the government were identified.

The Regional Agricultural Lobby Group signed a Memorandum of Understanding with the regional representation of the Ministry of Agriculture to achieve close collaboration between these stakeholders. The MoU stated the willingness of both parties to have regular meetings, exchange information regarding the important agricultural issues of the region and jointly find effective ways to address these issues. The MOU is attached to this report as Annex 4.

Regional Agricultural Lobby Group lobbies local farmers interests on the regional and central level

Six documents with recommendations of how to address essential agricultural problems were developed and presented to the authorities by the Lobby Group. The problems were selected and discussed during the regular meetings of municipal and regional lobby groups. These problems were:

- Problem of irrigation in village Ude, Adigeni municipality
- Problem of irrigation in village Arali, Adigeni municipality
- Problem of irrigation in village Rustavi, Aspindza municipality

2008 Page 8 of 15

- Filling in respective veterinary forms (form #1 and #2) for selling livestock and difficulties related with this rule
- Rehabilitation of the roads to the arable lands and pastures in Samtkhe-Javakheti region
- Slaughtering the livestock in the slaughterhouse and related issues

All these documents were developed and presented to the municipal and regional authorities. Through these authorities, these issues have been lobbied at the central level. Through this lobbying, with active participation of Adigeni municipality government, a donor was found for the rehabilitation of irrigation systems in villages Ude and Arali, Adigeni municipality. The total cost of the rehabilitation of these channels is about GEL 18,000 (EUR 7,700), which will be funded by the donor, Caritas. Other issues, presented to the government, are in process of discussion. The issues of trying to gain ownership for village Rustavi irrigation channel, obtain budget money for the roads rehabilitation and ensure smooth implementation of Food Safety law to make easier for the farmers to meet its requirements are currently being lobbied on actively at the central level.

Results of the Action

What is your assessment of the results of the Action? Include observations on the performance and the achievement of outputs, outcomes, impact and risks in relation to specific and overall objectives, and whether the Action has had any unforeseen positive or negative results. (Please quantify where possible; refer to Log frame Indicators).

The overall objective of the program was to develop ssustainable fee-based extension services local government, agricultural service providers and farmers' groups, enabling small scale farmers in Samtskhe-Javakheti to increase incomes and productivity in the agricultural sector. As the result of the programme implementation this objective was successfully met. At the end of the programme, 87% of small scale farmers reported that there was an increase in the quality and availability of affordable extension services from farmers groups and agricultural service providers in Samtskhe-Javakheti. The monitoring report of small grants component stated that income of direct beneficiaries increased by 40-50% and that of indirect beneficiaries by 25-35% and transactions between small scale farmers and FGs and ASPs increased by 77.7% compared to 2009, well above the 20% target increase.

As a result of the programme, farmers' groups, agricultural service providers and local government have increased capacity and collaborate effectively to provide relevant business services to small-scale farmers and farmers' groups in Samstkhe-Javakheti. The capacity building component of the programme has led to 8 ASPs and 20 FGs having improved mechanisms in place to ensure effective service provision for these small scale farmers. This is beneficial and profitable both for the organizations and local farmers, which ensures their continuation beyond the programme implementation period. As a result of receiving training through this programme, Farmer Groups and Agricultural Service Providers have been using their newly acquired skills identifying profitable businesses, developing viable business plans, improving marketing, collecting milk and complying with food safety requirements. Additionally, the training of trainers approach increased the capacity of ASPs to provide more appropriate services and trainings to the clients during and after the programme implementation and not rely solely on the trainings which are provided by donor-funded programs.

Through this programme, a forum for ASPs, FGs and government representatives to collaborate through information sharing, coordination and lobbying has been established. During the programme, four municipal agricultural Lobby Groups were created and then their members established a regional agricultural Lobby Group. The regional agricultural lobby group identified six important problems for the farmers in Samtskhe-Javakheti region and developed respective documents and lobbied for the resolution of those problems on the regional and central level. Six respective documents with recommendations on how to address important agricultural issues were developed and presented to the authorities. As a result of this action, two of these issues have been taken up and have received funding from a variety of sources for their resolution. The Regional Lobby Group is continuing its activities after the completion of the programme, as it is useful forum for collaboration between farmers and government. As a result of the action, 80% of FGs & ASPs report improved relationship and coordination with local government.

2008 Page 9 of 15

Table 1: A Summary of Expected Results Versus Achieved Results

		Expected Result	Achieved Result
Overall objective	Sustainable fee-based extension services are developed by local government, Agricultural Service Providers and Farmers' Groups, enabling small scale farmers in Samtskhe-Javakheti to increase incomes and productivity in the agricultural sector	Increased quality and availability of affordable services from FGs and ASPs reported by 80% of small scale farmers	Increased quality and availability of affordable services from FGs and ASPs reported by 87% of small scale farmers
	Farmers' Groups, Agricultural Service Providers and Local Government have increased capacity and	ASPs and FGs report 20 % increase in volume of transactions with small scale farmers	ASPs and FGs report 77.7% increase in volume of transactions with small scale farmers (monitoring survey)
		6 ASPs and 20 FGs with improved mechanisms in place to ensure effective service provision	8 ASPs and 20 FGs with improved mechanisms in place to ensure effective service provision (monitoring survey)
Specific objective		A forum for Regional and local government, ASPs and FGs is established and plans quarterly meetings to address information sharing, coordination and lobbying needs	A forum for Regional and local government, ASPs and FGs was established and held 6 meetings to address information sharing, coordination and lobbying needs
Expected results	FGs and ASPs have strengthened capacity to support income generating activities at the community level	50 ASPs and 300 FGs representatives trained	 J 170 FGs and 68 ASPs members improved their skills through the trainings (Organizational Management; Accounting/Taxation; Marketing; Credit Schemes/Financial services; Milk collection/ primary processing; Food Safety/HACCP Compliance). and subsequently applied this knowledge to their business and agricultural activities J 94 FGs and 12 ASPs members improved their training skills

2008 Page 10 of 15

	through ToTs and subsequently applied this knowledge to train local farmers 196 individual farmers and FGs members improved their skills in modern agricultural technologies of potato growing, livestock breeding, bee-keeping, fish farming and machinery through the trainings provided by ASPs and have possibility to apply this knowledge to their business and agricultural activities. In total 460 FGs and 80 ASPs representatives trained
	-quality affordable services and gricultural inputs to local FGs ers 8 ASPs are providing high-quality affordable services and certified affordable agricultural inputs to local FGs and small scale farmers (monitoring survey)
	3,000 small scale farmers (members and non-members of FGs) use ASPs services and advanced agricultural technologies which they have been introduced to through sub-grants, participation in trainings and demonstrations, agricultural brochures
	SPs establish quarterly all level to discuss information ation needs 100% of FGs and ASPs established quarterly meetings via agricultural lobby groups at municipal level to discuss information sharing and coordination needs Eight joint workshops of programme stakeholders conducted and four municipal agricultural Lobby Groups were formed. Regional agricultural Lobby Group was established to lobby Samtskhe-Javakheti region farmers interests with the local and central government.
Linkages and coordination between FGs, ASPs and LGs are strengthened	Regional agricultural Lobby Group approved the statute and established regular quarterly meetings.
At least 4 position paragricultural forum who government, advoca agribusiness issues	Six position papers developed by the regional agricultural forum which are presented to the government, advocating on agricultural and agricultural and agricultural and municipal level Treport improved relationship J Six position papers developed by the regional agricultural forum which are presented to the government, advocating on agricultural and agribusiness issues at regional and municipal level Donor for two projects was found J 80% of FGs & ASPs report improved relationship and

2008 Page 11 of 15

What has been the outcome on both the final beneficiaries &/or target group (if different) and the situation in the target country or target region which the Action addressed?

The number of the direct and indirect beneficiates is 1,500 small farmers' households with 6,000 members. The outcome of the program implementation is that Farmers' groups, agricultural service providers and local government have increased capacity and collaborate effectively to provide relevant business services to small-scale farmers and farmers' groups in Samstkhe-Javakheti region.

Please see the case study below for an example of the outcome of the action on an agricultural service providing associations that serves local farmers that have benefited from the implementation of this programme.

Please list all materials (and no. of copies) produced during the Action on whatever format (please enclose a copy of each item, except if you have already done so in the past).

The following publications were produced during the programme implementation:

- One edition of a newsletter was published during the programme implementation. 300 copies were published in Georgian consisting of 4 pages. 100 copies were published in English consisting of 4 pages.
- A brochure, described the programme goal, objective and proposed activities was published with 200 copies.
- The following agricultural brochures were published:
 - Brucellosis (300 copies in Georgian and Russian)
 - Impact of the livestock health on the milk content (300 copies in Georgian and Russian)
 - Drip irrigation (200 copies in Georgian and Russian)
 - Feeding of cow (300 copies in Georgian and Russian)
 - Breeding of gueen bees (200 copies in Georgian and Russian)
 - Potato varieties and demand on the quality seed material (300 copies in Georgian and Russian)
 - Livestock breed improvement (200 copies in Georgian and Russian)
 - Marketing (200 copies in Georgian and Russian)
 - Technology of untilled planting (200 copies in Georgian and Russian)
 - What the livestock farmer must know (300 copies in Georgian and Russian)
 - Credit schemes in agriculture (200 copies in Georgian and Russian)
 - Foot and mouth disease (300 copies in Georgian and Russian)
 - Planning of veterinary measures (200 copies in Georgian and Russian)
 - Rearing of calves (200 copies in Georgian and Russian)

All these newsletters, brochures, booklets and books have been distributed amongst donors, NGOs, community members, local government representatives and Farmer Group members.

Sustainability

After the completion of the programme, the sustainability of the program results is ensured. The sustainability of the Farmers Groups is ensured as the programme worked with established FGs and ASPs, which already had one or several years of successful working history before they were supported by Mercy Corps in the framework of this programme. These organizations are legally registered, have established organisational structure, bank accounts and provide financial accounts to the tax office. The capacity building provided to FGs and ASPs significantly increased their operational and financial sustainability. The programme support enabled ASPs to increase the quantity of their clients and the number of transactions, and this is increasing the profitability of the organizations. FGs and their members will have access to the services provided from ASPs, which will improve their financial sustainability in the future. FGs and ASPs also have the possibility to apply for sub-grants from the SDC funded Alliances programme implemented by Mercy Corps as well as those from other NGOs programmes which are being implemented in Samtkhe-Javakheti region. Farmers are using new technologies in their agricultural activities, ASPs are continuing delivering trainings for FGs, in certain cases making them embedded services to agricultural input supply, and the improved interaction between ASPs and farmers, promoted by the programme, will continue, resulting to more increase of the business transactions.

2008 Page 12 of 15

Lobby Groups continue to work on the identified important issues and lobby them to the government. They will also continue the established cooperation with Mercy Corps through the longer term Alliances project, funded through SDC and implemented in Akhaltsikhe, Adigeni and Aspindza municipalities, which has governance as cross-cutting theme and closely interacts with the local government. The Regional Lobby Group is going to be legally registered, develop more ideas and subsequently apply for a sub-grant from the USAID funded Civic Engagement and Improved Governance programmes, whose activities will be commenced in the region in the nearest future.

Cross-Cutting Issues

To promote gender equality, the program aimed to ensure participation of women in all activities, supported by the programme. The minimum criteria for the Farmers Groups to receive the funding from Mercy Corps, was 20% of female membership. Female members were actively involved in the Lobby Groups (whose chairperson was a woman). Good governance was promoted through constant interaction with the municipal and regional government, bringing the important agricultural issues though their attention and ensuring they pay attention to the farmers needs.

Monitoring and Evaluation

Monitoring of the project activities has been lead by the Monitoring officer. Monitoring and evaluation activities were constantly carried out during the programme implementation. The initial needs assessment was used as baseline for the programme to compare with the results of final assessment. The final small grants monitoring report was prepared upon completion of the programme by the Monitoring officer, which is presented in Annex 5.

Lessons Learnt

Lessons leant as a result of the programme implementation, can be summarised as the following:

- The success of the approach, which considers working with existing ASPs and FGs, rather then promoting the establishment of new entities. Existing organizations are better established, already had achieved certain level of capacity, are more keen to implement new agricultural technologies, use sub-grant assistance more efficient and are oriented on the sustainability
- Trainings provided by ASPs to the farmers were very popular and both ASPs and farmers expressed a willingness to provide and participate in it. For ASPs this is an additional possibility to promote their services and products and ensure they are properly used. For the farmers this is additional opportunity for capacity building and a possibility to use agricultural inputs more effectively.
- Sub-grants projects implemented by the agricultural cooperatives and associations which already have experience with implementation of these projects are usually more efficient and profitable for the farmers
- Support with small machinery to the ASPs can give a significant increase in service provision and income, as the vast majority (more than 90%) of the farmers have small plots of land (up to 1 ha), part of them are located in the mountainous area, and can be cultivated only with small machinery
- Lobby Groups are effective tools for involving local government representatives in the solution of farmers problems. At the same time, local government representatives are frequently reluctant to take the local issues of the central level, preferring to wait for instructions from Tbilisi. That's why, to ensure successful lobbying of farmers interests, it is very useful to complement work with the local government with simultaneous efforts targeting the central government.
- Lobby Groups served as useful forums to learn and address local agricultural needs and through them Mercy Corps learnt regarding the main agricultural issues in the target municipalities. This is useful not only for the current, but other programmes, Mercy Corps implements in the region.
- Coordination and information sharing between Mercy Corps two programmes in Smatkhe-Javakheti and similarities of approach and work area gave the possibility to maximize impact of both programmes.
- It is desirable, that programmes, which work on the agricultural field, are more then 12 months long, as agricultural activities, funded by the programme, are seasonal and missing one month for activities often means missing of entire agricultural season. For example, potato planted, provided to association Udetechnics in summer 2010, can be only used in Spring 2011.

2008 Page 13 of 15

Partners and other Co-operation. How do you assess the relationship between the formal partners of this Action (i.e. those partners which have signed a partnership statement)? Please provide specific information for each partner organisation.

All local programme staff, including those of the implementing partner of Mercy Corps, were located in the same office of Akhaltsikhe and worked under the supervision of the Mercy Corps' Programme Manager. A formal programme meeting regularly took place once every two months with the participation of Mercy Corps and ABCO staff and the EC. Collaboration with the implementing partner, ABCO, during the entire program implementation can be assessed as very close, trustful and successful. Mercy Corps and ABCO learned that trust and fair collaboration, established amongst them, ensured success of the program implementation. Both organizations always acted as one team and planned and implemented programme activities together. Mercy Corps and its partner brought in specialists that had the highest credentials and added greatly to the creation of trust with local government, communities, farmers, Farmers Groups and Service Providers. Mercy Corps established close cooperation with the EC, whose support contributed significantly with the programme success.

The ABCO staff, involved in programme implementation (Program Officers, President/Project director, Trainers), acted as responsible professionals, capable of achieving the proposed goals, established trustful relationships with the Farmers Groups, Agricultural Service Providers and local government.

Is the partnership to continue? If so, how? If not, why?

Mercy Corps' partnership with ABCO will continue in the framework of SDC funded Alliances programmes in Samtskhe-Javakheti and Kvemo Kartli regions.

How would you assess the relationship between your organisation and State authorities in the Action countries? How has this relationship affected the Action?

During the programme implementation, close collaboration was established with the all four target municipal and Samtskhe-Javakheti regional governments. Mercy Corps closely interacted with the representative of the Ministry of Agriculture in the region, with whom the special Memorandum of Understanding was signed. Government collaboration was intensified though their involvement in the municipal and regional Lobby Groups.

Mercy Corps representatives participated in the coordination meetings in the regional Governor's Office, where different donors and NGOs exchanged information regarding their programmes and coordinated their activities. During these meetings, the focus of the Samtskhe-Javakheti Governor's office has been on the practical results of the implemented programmes.

Where applicable, describe your relationship with any other organisations involved in implementing the Action:

- Associate(s) (if any)
- J Sub-contractor(s) (if any)
- Final Beneficiaries and Target groups
- Other third parties involved (including other donors, other government agencies or local government units, NGOs, etc)

Mercy Corps worked with FGs and ASPs to build the capacity of these entities as well as fund subgrant projects. Work with already established and experienced ASPs and FGs was easier than with newly established ones which need more support for initial start-up of activities and have a higher risk to fail. FGs and ASPs representatives were very keen to have regular interaction and business transactions, beneficial for both sides. ASPs actively used the skills, gained through the training of trainers to provide trainings to FGs members and individual farmers and they plan to continue these activities beyond the programme timeframe.

Where applicable, outline any links and synergies you have developed with other actions.

The programme actively collaborated with another Mercy Corps programmes implemented in Samtskhe-Javakheti region, specifically the Market Alliances Against Poverty (Alliances) project which

2008 Page 14 of 15

worked in the same area and in the same field of agriculture with similar target groups. The Alliances project provided co-financing for the programme.

If your organisation has received previous EC grants in view of strengthening the same target group, in how far has this Action been able to build upon/complement the previous one(s)? (List all previous relevant EC grants).

Mercy Corps implemented the EC funded Akhalkalaki Linkages programme during 2005-2009. In the current programme, Mercy Corps worked with the FGs and ASPs, supported during implementation of the Linkages programme.

How do you evaluate co-operation with the services of the Contracting Authority?

Cooperation with EC during entire timeline of the programme implementation was very close and successful. The EC Program manager always participated with regular programme round tables, organized by Mercy Corps and attended by all partners. The EC Program Manager frequently visited program sites and participated in the field and demonstrations days.

Visibility

How is the visibility of the EU contribution being ensured in the Action?

In all publications, printed in framework of the programme, i.e., leaflets, brochures, newsletter, it is clearly indicated that the programme is funded by the EU. Specifically, the EU flag is always displayed prominently on the first page of the leaflets and brochures. In all meetings with the communities, Farmers Groups, Agricultural Service Providers, government and NGO representatives it was emphasized that the programme is financed by the European Commission. In the places where agricultural activities are being conducted by the Farmers Groups or ASPs, a sign is placed with the EU flag explaining that activities are financed by the EU, in the local languages.

2008 Page 15 of 15